

1 Wisconsin income tax Form 1 instructions

'98

Here's what is for 1998

-  **To protect your privacy**, social security numbers are no longer used on mailing labels.
-  **All taxpayers benefit** from reduced income tax rates.
-  **An increased property tax/rent credit** will benefit eligible taxpayers.
-  **Working Families Tax Credit** This new credit is available to certain individuals whose income is below \$19,000. See page 17.
-  **Tuition Expense** A deduction of up to \$3,000 is available for tuition paid to attend many universities, colleges, or technical colleges. See page 10.
-  **Illinois Wages** Individuals earning any wages in Illinois need to indicate that amount for a required research study. See page 5.

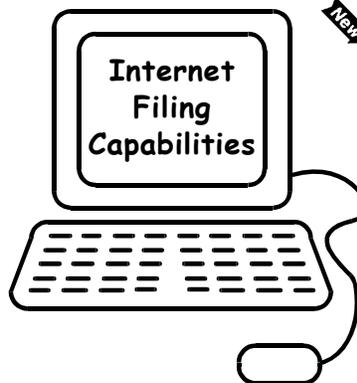
See  instructions for additional tax changes.



Call For Help ...

Telephone help numbers and office locations in your area are on **Page 4**.

Visit our website at www.dor.state.wi.us



-  ♦ *Link to an internet filing service*
- ♦ *Download state income tax forms and tax publications*
- ♦ *Find answers to Frequently Asked Questions*

\$\$\$ Electronic filing is the **quickest** way to get a refund. Most tax preparers and many financial institutions offer this service for a minimal fee. \$\$\$

Tax Filing Tips

- ♦ File under our Quick Refund Program **before April 1** to ensure a fast refund.
- ♦ Check and double check your math.
- ♦ Attach a complete copy of your federal tax return and any other required schedules.

**Filing Deadline is
Thursday, April 15, 1999!**

REFUND INQUIRY

You may check the status of your refund 24 hours a day, by calling 608-266-8100 or 414-227-4907 or use our **NEW** on-line service at www.dor.state.wi.us. Have your social security number and the exact amount of your expected refund available.

FEDERAL PRIVACY ACT

In compliance with federal law, you are hereby notified that the request for your social security number on the Wisconsin income tax return is made under the authority of Section 71.03(6)(a) of the Wisconsin Statutes. The disclosure of this number on your return is mandatory. It will be used for identification purposes throughout the processing, filing and auditing of your return and the issuance of refund checks.



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General Instructions

Who Must File

Refer to the table to see if you are required to file a return for 1998.

Filing status	Age as of December 31, 1998	You must file if your gross income* (or total gross income of husband and wife) during 1998 was:
Single	Under 65	\$5,200 or more
	65 or older	\$5,724 or more
Married-filing joint return	Both under 65	\$8,900 or more
	One spouse 65 or older	\$9,424 or more
	Both spouses 65 or older	\$9,948 or more
Married-filing separate return	Any age	\$4,230 or more (applies to each spouse individually)
Head of household	Under 65	\$7,040 or more
	65 or older	\$7,564 or more

* Gross income means all income (before deducting expenses) reportable to Wisconsin which is received in the form of money, property, or services. It does not include items which are exempt from Wisconsin tax (for example, the portion of social security benefits which is not taxable on your Wisconsin return).

Other Filing Requirements

Even if your income is less than the amounts shown on the table, you must file a return for 1998 if:

- You could be claimed as a dependent on someone else's return and you had gross income of more than \$700 which included at least \$251 of unearned income (for example, interest income).
- You owe a Wisconsin penalty on an Individual Retirement Account (IRA), annuity, or other retirement plan or on a medical savings account.
- You were a nonresident or part-year resident of Wisconsin for 1998 and your gross income (or the combined gross income of you and your spouse) during 1998 was \$2,000 or more.

Who Should File

Even if you do not have to file, you should file to get a refund if:

- You had Wisconsin income tax withheld from your wages.
- You paid estimated taxes for 1998.
- You can take the earned income credit.

Electronic Filing

Electronic filing is one of the fastest ways to receive federal and state income tax refunds. Refunds deposited directly in a financial institution account can be issued in as little as five working days; checks in as little as seven working days. To file your Wisconsin

Which Form To File For 1998

You may file Form WI-Z if you:	You may file Form 1A if you:	You must file Form 1 if you:	You must file Form 1NPR if you:
<ul style="list-style-type: none"> • File federal Form 1040EZ or file your federal return using TeleFile <i>AND</i> • Were a Wisconsin resident all year <i>AND</i> • Did not have interest income from state, municipal, or U.S. bonds <i>AND</i> • Did not receive unemployment compensation <i>AND</i> • Are not claiming any credits other than Wisconsin tax withheld from wages, renter's and home owner's school property tax credit, the working families tax credit, or the married couple credit <i>AND</i> • Are not claiming Wisconsin homestead credit. 	<ul style="list-style-type: none"> • Were single all year or married and file a joint return or file as head of household <i>AND</i> • Were a Wisconsin resident all year <i>AND</i> • Have income only from wages, salaries, tips, taxable scholarships and fellowships, interest, dividends, unemployment compensation, social security, pensions, annuities, and IRAs <i>AND</i> • Have no adjustments to income (except IRA deductions and the student loan interest deduction) <i>AND</i> • Are not claiming credit for itemized deductions, tax paid to another state, historic rehabilitation, or repayment of income previously taxed <i>AND</i> • Are not subject to a Wisconsin penalty on an IRA or a qualified retirement plan or on a medical savings account. <p>Exception If you used federal Form 4972, you must file Form 1.</p>	<ul style="list-style-type: none"> • Were a Wisconsin resident all year <i>AND</i> • Were married and file a separate return, or were divorced during the year <i>OR</i> • Have income which may not be reported on Form WI-Z or 1A (such as capital gain, rental, farm, or business income) <i>OR</i> • Claim adjustments to income (such as for alimony paid or disability income exclusion) <i>OR</i> • Claim credit for itemized deductions, tax paid to another state, historic preservation, or repayment of income previously taxed <i>OR</i> • Are subject to a Wisconsin penalty on an IRA or a qualified retirement plan or on a medical savings account <i>OR</i> • Are subject to the alternative minimum tax. 	<ul style="list-style-type: none"> • Were domiciled* in another state or country at any time during the year <i>OR</i> • Are married filing a joint return and your spouse was domiciled* in another state or country at any time during the year. <hr/> <p>* Your domicile is your true, fixed, and permanent home to which, whenever absent, you intend to return. You can be physically present or residing in one locality but maintain your domicile in another.</p> <p>Your domicile, once established, does not change unless all three of the following circumstances occur or exist:</p> <ol style="list-style-type: none"> (1) You intend to abandon your old domicile and take actions consistent with that intent <i>AND</i> (2) You intend to acquire a new domicile and take actions consistent with that intent <i>AND</i> (3) You are physically present in the new domicile.

income tax return electronically, you must work with a tax professional. Check your local telephone directory for the names of tax professionals who offer electronic filing services. Fees may vary.

Although most Wisconsin returns can be filed electronically, there are some which may not. Returns containing one or more of the following items may not be filed electronically:

1. Homestead credit
2. Farmland preservation credit
3. Credit for tax paid to another state
4. Wisconsin Schedule DC, HR, or T

When To File/Extension of Time to File

Your return is due April 15, 1999, unless you have an extension of time to file. If you need an extension of time to file your return, you do not need to do anything until you actually file your Form 1. The following extension of time to file options are available.

1. If you have an extension for filing your federal return, this automatically gives you a Wisconsin extension provided you attach a copy of your federal extension application to your Form 1.
2. If you are allowed an automatic 2-month extension for filing your federal return because you are outside the United States and Puerto Rico on April 15, 1999, or an extension because of service in a combat zone, this automatically gives you a Wisconsin

extension. Attach a statement to your Wisconsin return explaining how you qualify.

3. If you need a Wisconsin extension but will not be getting a federal extension, your Wisconsin extension is still based on the federal extensions available. You will be allowed a Wisconsin extension if you attach to your Form 1 either (a) a statement indicating which federal extension provision you want to use for Wisconsin (e.g., automatic 4-month extension), or (b) a copy of the federal extension application form for the extension provision you want to use (e.g., federal Form 4868 if you want to use the automatic 4-month extension), with only the name, address, and signature areas completed.

Note Even though you may have an extension of time to file your return, you will owe interest on any tax not paid by April 15, 1999. Returns not filed by April 15, 1999, or during an extension period, are subject to additional interest and penalties. If you expect to owe additional tax, you can avoid the 1% per month interest charge during the extension period by paying the tax you will owe by April 15, 1999. Submit the payment with a 1998 Wisconsin Form 1-ES. A copy of Form 1-ES is available at any Department of Revenue office.

Farmers and fishers (individuals who earn at least two-thirds of their gross income from farming or fishing) who do not make payments of estimated income tax must file their 1998 Wisconsin income tax return and pay any tax due by March 1, 1999, to avoid paying interest for underpayment of estimated tax.

Seven Steps To Filing Your Return

- 1 Get all of your records together** Make sure you have all of your income and expense records, including wage statements and interest and dividend statements, so you can fill in your return correctly.
- 2 Fill in your federal return** Before completing Wisconsin Form 1, first fill in your federal return and its supporting schedules. If you are not required to file a federal return, list the sources and amounts of your income and your deductions on a separate attachment.
- 3 Fill in your Wisconsin return** Follow the line instructions as you fill in your return.
- 4 Sign your Wisconsin return** A joint return must be signed by both spouses.
- 5 Check over your Wisconsin return** Check the following items on your return carefully. Your Form 1 will be returned to you or its processing delayed for:
 - missing wage statements,
 - missing signature,
 - missing copy of your federal return (a copy of your federal return must be attached to your Wisconsin return),
 - incomplete renter's or home owner's information (if school property tax credit claimed),
 - incomplete schedules for the itemized deduction and married couple credits (if credit claimed), or
 - missing list of sources and amounts of income if not required to file a federal return.
- 6 Mail your return** If your Form 1 booklet has a mailing label with your name on the front cover, remove the label and place it in the name and address area of Form 1. Check to see if the information on the label is correct. If it isn't, enter your corrections on the label. Mail your return and all required attachments to the appropriate address listed on page 24 under "Where to File."
- 7 Keep a copy of your return**

Additional Forms or Special Help

As you fill out your Form 1, if you find you need help or additional forms, these are available at any of the following Department of Revenue offices:

Madison – 4638 University Ave. (zip code 53702-0001)
income tax information (608)266-2772 or (608)266-2486
forms requests (608) 266-1961

Milwaukee – State Office Bldg., 819 N. 6th St., Rm. 408
(zip code 53203-1682)
income tax information (414) 227-4000
forms requests (414) 227-4440

Appleton – 265 W. Northland Ave. (zip code 54911-2091)
telephone (920) 832-2727

Eau Claire – State Office Bldg., 718 W. Clairemont Ave.
(zip code 54701-6190)
telephone (715) 836-2811

Other offices open on a limited schedule (generally Mondays) are: Baraboo, Beaver Dam, Elkhorn, Fond du Lac, Grafton, Green Bay, Hayward, Hudson, Janesville, Kenosha, LaCrosse, Lancaster, Manitowoc, Marinette, Marshfield, Monroe, Oshkosh, Racine, Rhinelander, Rice Lake, Shawano, Sheboygan, Superior, Tomah, Watertown, Waukesha, Waupaca, Wausau, West Bend, and Wisconsin Rapids.

FAX To receive tax forms and publications by fax, call the Department of Revenue's Fax-A-Form Document Retrieval System at (608) 261-6229 from the telephone connected to your fax machine.

Internet Address <http://www.dor.state.wi.us>

Hearing-Impaired People Phone help is available for hearing-impaired people who have TTY equipment. Call (608) 267-1049 in Madison or (414) 227-4147 in Milwaukee. These numbers are to be used only when calling with TTY equipment.

Questions About Refunds – Call (608) 266-8100 in Madison or (414) 227-4907 in Milwaukee or Visit our Internet Website

If you must contact the Department of Revenue about your refund, please wait at least 10 weeks after filing your Form 1. You may call the number indicated above or write to: Department of Revenue, P.O. Box 8903, Madison, WI 53708-8903. When calling, be sure to have your social security number and the dollar amount of your refund available.

If you call from a touch-tone telephone, an automated response is available 24 hours a day, seven days a week. Operator assistance is available Monday through Friday from 7:45 a.m. to 4:15 p.m.

 You may also obtain information about your refund through our Internet website at <http://www.dor.state.wi.us>.

Informational Publications Available

Following is a list of some of the department publications. These publications provide detailed information relating to specific areas of Wisconsin tax law. They are available at any department office.

Number and Title

102	Wisconsin Tax Treatment of Tax-Option (S) Corporation Shareholders
103	Reporting Capital Gains and Losses for Wisconsin
104	Wisconsin Taxation of Military Personnel
106	Wisconsin Tax Information for Retirees
109	Tax Information for Married Persons Filing Separate Returns and Persons Divorced in 1998
111	How to Get a Private Letter Ruling From the Wisconsin Department of Revenue
113	Federal and Wisconsin Income Tax Reporting Under the Marital Property Act
114	Wisconsin Taxpayer Bill of Rights
117	Guide to Wisconsin Information Returns
120	Net Operating Losses for Individuals, Estates, and Trusts
121	Reciprocity
122	Tax Information for Part-Year Residents and Nonresidents
125	Credit for Tax Paid to Another State
126	How Your Retirement Benefits Are Taxed
205	Do You Owe Wisconsin Use Tax?
400	Wisconsin's Temporary Recycling Surcharge
503	Wisconsin Farmland Preservation Credit
600	Wisconsin Taxation of Lottery Winnings
601	Wisconsin Taxation of Pari-Mutuel Wager Winnings

Before completing Form 1, first fill in your federal return and its supporting attachments. If you are not required to file a federal return, list the sources and amounts of your income and deductions on a separate attachment and include it with your Form 1.

Follow these line instructions to complete your Form 1. Prepare one copy for your records and another copy to be filed with the Department of Revenue.

Name and Address If your booklet has a mailing label with your name on the front cover, remove the label and place it in the name and address area of the tax return that you file. If your name or address is wrong, correct the label by drawing a line through the incorrect information and printing the correct information clearly on the label. If you are married filing a joint return, check that your spouse's name is also on the label and that it is correct. Do not use the label if your name is not on it.

If you did not receive a booklet with a label, print or type your name and address in the spaces provided on Form 1. If you are married filing a joint return, fill in your spouse's name (even if your spouse did not have any income).

Social Security Number Fill in your social security number in the space provided on Form 1. Also fill in your spouse's social security number if married filing a joint return.

Note You must fill in your social security number even though you may be using the mailing label from the cover of your tax booklet.

Quick Refund To receive your refund check in as little as two weeks, you **must use an unaltered and current label**. You must also:

- (1) have a Wisconsin address,
- (2) not claim homestead credit or farmland preservation credit,
- (3) not owe delinquent taxes, delinquent child support, or have debts to other state agencies, municipalities, or counties,
- (4) fill in the amount of your refund (using dollars and cents) from line 43 in the Quick Refund box,
- (5) file by April 1, 1999, and
- (6) mail your return to: Quick Refund, P.O. Box 38, Madison, WI 53787-0001.

Note If you qualify for the earned income credit and request that the department compute your credit (see line 36 instructions), you may not claim a Quick Refund.

If you receive a Quick Refund and you have an error in computation, an additional refund or a billing, with interest if appropriate, will be issued to you after processing of your tax return is completed.

Note An alternative to using the Quick Refund procedure is to file electronically. You may be able to get your refund even faster by filing electronically. See page 2 for further information.

State Election Campaign Fund You may designate \$1 to this fund by checking the box. If you are married, your spouse may also designate \$1 to this fund. Checking the box will neither change your tax nor reduce your refund.

Filing Status Check one of the boxes to indicate your filing status for 1998. If more than one filing status applies to you, choose the one that will give you the lowest tax.

Note If you obtained a decree of divorce or separate maintenance during 1998 or are married and will file a separate return (including

a married person filing as head of household), you should get Publication 109, *Tax Information for Married Persons Filing Separate Returns and Persons Divorced in 1998*, for information on what income you must report.

Single You are considered single if, on December 31, 1998:

- You were never married, or
- You were legally separated under a **final** decree of divorce or separate maintenance, or
- You were widowed before January 1, 1998, and did not remarry in 1998.

Married filing joint return Most married couples will pay less tax if they file a joint return. You and your spouse may file a joint return if:

- You were married as of December 31, 1998, or
- Your spouse died in 1998 and you did not remarry in 1998, or
- Your spouse died in 1999 before filing a 1998 return.

A husband and wife may file a joint return even if only one had income or if they did not live together all year. However, both spouses must sign the return, and both are responsible for any tax due on the joint return. This means that if one spouse does not pay the tax due, the other may have to.

A joint return cannot be filed if you and your spouse have different tax years.

If you file a joint return, you cannot, after the due date of the return, change your mind and file separate returns for that year.

Married filing separate return In most instances if you file a separate return, you will pay more state tax than if you file jointly. Some reasons a higher tax may be determined on separate returns are as follows:

- You cannot take the credit for a married couple when both spouses are employed.
- If you lived with your spouse at any time in 1998:
 - a. A greater amount of any unemployment compensation you received in 1998 may be taxable.
 - b. A greater amount of any social security benefits you received in 1998 may be taxable.
- You will not qualify for the disability income exclusion.
- You will not qualify for the earned income credit.

Head of household To use this filing status for Wisconsin purposes, you must qualify to file your federal income tax return using the head of household filing status. Use of this filing status is generally restricted to unmarried individuals, but certain married persons who lived apart from their spouses for the last 6 months of 1998 may also qualify. See the instructions for your federal return for complete details.

If you are not required to file a federal return, contact any Department of Revenue office to see if you qualify. If your federal filing status is qualifying widow(er) with dependent child, use the head of household filing status for Wisconsin.

New **Compensation Earned in Illinois** Under the reciprocity agreement that Wisconsin has with Illinois, a Wisconsin resident is not subject to the Illinois income tax for compensation earned as an employe in Illinois. The section above line 1 on Form 1 relates to

compensation covered under this agreement. The information is needed so that the two states can measure the revenue impact of the reciprocity agreement. The information that you provide will not affect your tax.

The types of compensation covered under the reciprocity agreement include wages, salaries, tips, commissions, bonuses, fees, or other employe earnings in Illinois.

If you and/or your spouse earned compensation in Illinois that is covered under the reciprocity agreement, check the “yes” box on the form and write in the amount(s) of compensation. If only a portion of your compensation was earned in Illinois, write in that amount. If you do not know the actual amount, you may estimate it based on the percent of work time spent in Illinois. If neither you nor your spouse earned compensation in Illinois, check the “no” box.

Types of compensation covered under reciprocity include compensation for work done:

- at an employer’s location in Illinois, such as at an office, factory, restaurant, store, clinic, or similar place of employment.
- as an employe at various locations in Illinois, such as a job site, construction site, or a customer’s location.

Types of compensation **not** covered under reciprocity include compensation you received:

- as an interstate truck driver, railroad worker, or airline employe if you worked in more than one state and under federal law cannot be taxed by Illinois.
- from pensions, annuities, and unemployment compensation.
- from self-employment.
- from rental property.

Rounding Off to Whole Dollars You may round off cents to the nearest dollar. You can drop amounts under 50¢ and increase amounts from 50¢ to 99¢ to the next dollar. For example, \$1.39 becomes \$1 and \$2.69 becomes \$3.

■ Line 1 Federal Adjusted Gross Income

Fill in your federal adjusted gross income from:

- line 33 of your federal Form 1040,
- line 18 of federal Form 1040A,
- line 4 of federal Form 1040EZ, or
- line H of your federal TeleFile Tax Record.

Exception The federal adjusted gross income that you must fill in on line 1 of Form 1 may not always be the same as the amount reported as adjusted gross income on your federal Form 1040. Differences may occur because Wisconsin generally uses the provisions of federal law as amended to December 31, 1997.

The following provisions of federal Public Laws 105-178 and 105-206, which were enacted during 1998 and affect a 1998 federal return, do not apply for Wisconsin.

- Changes in rules relating to the deduction (by employers) and exclusion (by employes) of meals an employer furnishes to employes.
- The provision which provides that hardship distributions received from a 401(k) or 403(b) retirement plan after December 31, 1998, may not be rolled over to any IRA.
- The limitation which provides that an employer may deduct accrued vacation or severance pay in a particular year only if the

Line 1 instructions – continued

pay is actually received by the employe on or before 2 1/2 months after the end of the tax year.

- The exclusion of any nonfinancial customer paper from the definition of “security” for purposes of the mark-to-market accounting rules.
- The provision allowing employers to offer employes a choice between a qualified transportation fringe benefit and cash without causing the employe to lose the exclusion from income when the noncash transportation benefit (other than parking) is chosen.

Wisconsin law also provides that the following provision of federal law does not apply for Wisconsin (even though this provision was enacted into federal law prior to December 31, 1997):

- The exclusion for 50% of the gain from the sale or exchange of qualified small business stock issued after August 10, 1993, and held for more than five years.

If any provision of federal law which does not apply for Wisconsin purposes affects your federal adjusted gross income, you must complete Wisconsin Schedule I and attach it to your Form 1. The amount you fill in on line 1 of Form 1 (and amounts filled in on Schedule 1 on page 3 of Form 1) should be the revised amount determined on Schedule I. Schedule I is available from any department office.

To the extent Schedule I adjustments in a prior year affect income or expense items in 1998 (for example, ACRS depreciation was not allowed to be claimed on residential real property or certain farm property placed in service during 1986), you must also make adjustments on Schedule I for 1998.

You may also be required to complete Schedule I if you sold assets during 1998, and the gain or loss from the sale is different for Wisconsin and federal purposes due to Schedule I adjustments made in a prior year. This would occur, for example, if different rates of depreciation were allowed for Wisconsin and federal purposes. See the instructions for Schedule I for more information.

■ Line 2 State and Municipal Interest

Fill in the amount of interest you received from state and municipal bonds. This will generally be the amount shown on line 8b of your federal Form 1040 or 1040A or the amount identified as tax-exempt interest on line 2 of Form 1040EZ. (If you were required for federal purposes to allocate expenses to this income, reduce the amount to be filled in by such expenses.)

Exception If you received interest income which is exempt for state and federal tax purposes, do not include this interest income on line 2. Interest income which is exempt for federal and Wisconsin tax purposes includes interest from:

- (1) public housing authority or community development authority bonds issued by municipalities located in Wisconsin,
- (2) Wisconsin Housing Finance Authority bonds,
- (3) Wisconsin municipal redevelopment authority bonds,
- (4) Wisconsin higher education bonds,
- (5) Wisconsin Housing and Economic Development Authority bonds issued before January 29, 1987, except business development revenue bonds, economic development revenue bonds, and CHAP housing revenue bonds,
- (6) public housing agency bonds issued before January 29, 1987, by agencies located outside Wisconsin where the interest therefrom qualifies for exemption from federal taxation for a reason other than or in addition to section 103 of the Internal Revenue Code,

Line 2 instructions – continued

- (7) local exposition district bonds,
- (8) Wisconsin professional baseball park district bonds, and
- (9) bonds issued by the Government of Puerto Rico, Guam, or the Virgin Islands.

Interest from these sources is exempt from Wisconsin income tax whether received by a direct owner of these securities or by a shareholder in a mutual fund which invests in these securities.

Line 3 Capital Gain / Loss Adjustment

If your federal adjusted gross income includes capital gains and/or losses (see line 13, Form 1040), you must complete Schedule WD to determine if an adjustment is required to arrive at your Wisconsin income. For example, an adjustment may be required because Wisconsin law limits deductions for net capital losses to \$500.

Line 4 Other Additions

Fill in on line 4 any of the additions described below that apply to you. Describe each addition. If more space is needed, attach a note to your Form 1.

Note See Additions To or Subtractions From Income on page 13 for information on other items which may have to be included on line 4.

- (a) **Farm Losses** An addition may be necessary if farm losses were deducted on your federal tax return. Wisconsin limits the amount of your combined net losses from farming if your nonfarm Wisconsin adjusted gross income is more than \$55,000 (\$27,500 if married filing separately). Figure the amount of your “combined net losses from farming” by adding together (1) farm losses from operating a farm, (2) farm rental losses if you materially participated in the operation or management of the farm, and (3) your share of any partnership, tax-option (S) corporation, estate, or trust farm losses. Do not reduce farm losses by any net farm gains. If the amount of your combined net losses from farming is more than the maximum allowable loss shown in the tables in the next column, include the excess on line 4.

Example For 1998, a single taxpayer reports a loss of \$25,000 on Schedule E from a farm partnership, a \$10,000 loss on Schedule F from the operation of a farm, and a profit of \$5,000 on Schedule E from the rental of farmland. The taxpayer’s nonfarm Wisconsin adjusted gross income is \$60,000, and combined net losses from farming are \$35,000 (\$25,000 + \$10,000). The maximum farm loss which may be deducted for 1998 is \$20,000. The taxpayer must fill in \$15,000 (\$35,000 – \$20,000) on line 4.

- (b) **Federal Net Operating Loss Carryover** Fill in any amount deducted as a federal net operating loss carryover. (See the instructions for line 11, part (h), for information about the Wisconsin net operating loss carryforward.)
- (c) **Income (Lump-Sum Distributions) Reported on Federal Form 4972** Income from a lump-sum distribution is taxable to Wisconsin. If you reported a lump-sum distribution on federal Form 4972, you must also include the distribution in Wisconsin income. Fill in on line 4 the total of (1) the capital gain part of the lump-sum distribution from line 6 of Form 4972 and (2) the taxable amount from line 10 of Form 4972. You may reduce this amount by any federal estate tax on line 18 of Form 4972.

CAUTION If the amount on line 10 of Form 4972 was computed using the rules for multiple recipients of a lump-sum

Line 4 instructions – continued

Farm Loss Limits – Single persons and married persons filing joint return		
Nonfarm Wisconsin Adjusted Gross Income		
More Than	But Not More Than	Maximum Allowable Loss
\$ 0 ...	\$ 55,000	Full Amount
55,000	75,000	\$20,000
75,000	100,000	17,500
100,000	150,000	15,000
150,000	200,000	12,500
200,000	250,000	10,000
250,000	300,000	7,500
300,000	400,000	5,000
400,000		No Loss

Farm Loss Limits – Married persons filing separate returns (including married filing as head of household)		
Nonfarm Wisconsin Adjusted Gross Income		
More Than	But Not More Than	Maximum Allowable Loss
\$ 0 ...	\$ 27,500	Full Amount
27,500	37,500	\$10,000
37,500	50,000	8,750
50,000	75,000	7,500
75,000	100,000	6,250
100,000	125,000	5,000
125,000	150,000	3,750
150,000	200,000	2,500
200,000		No Loss

distribution, include only your share of the taxable amount on line 10 less your share of any federal estate tax attributable to the lump-sum distribution on line 18.

Note No portion of a lump-sum distribution may be reported as a capital gain on Wisconsin Schedule WD.

- (d) **Farmland Preservation Credit and Farmland Tax Relief Credit** The total amount of farmland preservation credit and farmland tax relief credit you received during 1998 must be reported as income. Fill in on line 4 any portion of your farmland preservation credit and farmland tax relief credit which was not included as income on your federal tax return.
- (e) **Development Zone Credits** Fill in the amount of your development zone credit(s) that you computed on Wisconsin Schedule DC. The amount of your credit(s) is income and must be reported on your Wisconsin Form 1, even if you cannot take the full credit this year and must carry part of it forward. (**Exception** Do not include development zone credit(s) from a partnership or tax-option corporation. These credits are already included in the income of the partnership or tax-option corporation.) See page 25 for information on where to claim the development zone credits.
- (f) **Excess Distribution From a Passive Foreign Investment Company** Fill in the amount of excess distribution from a passive foreign investment company which has not been included in federal adjusted gross income (see federal Form 8621).

Line 4 instructions – continued



(g) Manufacturer’s Sales Tax Credit Fill in the amount of manufacturer’s sales tax credit that you computed for 1998. This is the amount from line 10 (line 11 for beneficiaries of an estate or trust) of Schedule MS. The amount of your credit is income and must be reported on your Wisconsin Form 1, even if you cannot take the full credit this year and must carry part of it forward. **(Exception)** Do not include manufacturer’s sales tax credit from a partnership or tax-option corporation. These credits are already included in the income of the partnership or tax-option corporation.)

Line 6 State Income Tax Refund

Refunds of state and local income taxes are not taxable for Wisconsin purposes. Fill in on line 6 the amount from federal Form 1040, line 10.

Line 7 United States Government Interest

Fill in the amount of interest on United States bonds and interest and dividends of certain United States government corporations which you included on line 1 of Form 1. This income is not taxable for Wisconsin purposes.

A distribution received from a mutual fund which invests in U.S. government securities may be partially or completely nontaxable for Wisconsin purposes. If information you received from a mutual fund advises you that any portion of a distribution is from investments in U.S. government securities, you may include that portion of the distribution as U.S. government interest on line 7.

CAUTION Do not fill in on line 7, interest from Ginnie Mae (Government National Mortgage Association) securities and other

Line 7 instructions – continued

similar securities which are “guaranteed” by the United States government. You must include interest from these securities in your Wisconsin taxable income.

Line 8 Unemployment Compensation

You may have a different amount of unemployment compensation taxable for Wisconsin and federal purposes. Complete the worksheet on this page to see if you can subtract any portion of the unemployment compensation which you included as income on your federal tax return.

Line 9 Social Security Benefits

You may have a different amount of social security benefits taxable for Wisconsin and federal purposes. If line 7 of your federal Social Security Benefits Worksheet in the Form 1040A or 1040 instructions is more than \$34,000 (\$44,000 if married filing jointly or \$0 if your filing status is married filing a separate return and you lived with your spouse at any time during 1998), complete the worksheet on page 9 to figure your subtraction.

Note Lines 2 and 3 of the worksheet on page 9 refer to lines on the federal Social Security Benefits Worksheets included in the federal Form 1040 and Form 1040A instructions. If you use one of the other federal worksheets (e.g., the worksheet for social security recipients who contribute to an IRA), use the equivalent lines on that worksheet. If you received a lump-sum payment of social security benefits in 1998 that included benefits for prior years and you used separate worksheets for each year to figure the amount of social security taxable on your federal return, contact any Department of Revenue office for information on how to figure the nontaxable amount.

Unemployment Compensation Worksheet

Check only one box.

- A. Married filing a joint return – write \$18,000 on line 3 below.
- B. Married not filing a joint return and lived with your spouse at any time during the year – write -0- on line 3 below.
- C. Married not filing a joint return and DID NOT live with your spouse at any time during the year – write \$12,000 on line 3 below.
- D. Single – write \$12,000 on line 3 below.

1. Fill in unemployment compensation from line 19 of federal Form 1040 (line 12 of Form 1040A, line 3 of Form 1040EZ, or line D of your federal TeleFile Tax Record) 1. _____
2. Fill in your federal adjusted gross income from line 33 of federal Form 1040 (line 18 of Form 1040A, line 4 of Form 1040EZ, or line H of your federal TeleFile Tax Record) 2. _____
3. Fill in \$18,000 if you checked box A; **or**
-0- if you checked box B; **or**
\$12,000 if you checked box C or D 3. _____
4. Fill in taxable social security benefits, if any, from line 20b of federal Form 1040 (line 13b of Form 1040A) 4. _____
5. Fill in taxable refunds, credits, or offsets, if any, from line 10 of federal Form 1040 5. _____
6. Add lines 3, 4, and 5 6. _____
7. Subtract line 6 from line 2. If zero or less, fill in -0- here and on line 9 of this worksheet and do not complete line 8. Otherwise, go on to line 8 7. _____
8. Fill in one-half of the amount on line 7 8. _____
9. Fill in the smaller amount of line 1 or line 8. 9. _____
10. Subtract line 9 from line 1. Fill in this amount on line 8 of Form 1 as your subtraction for unemployment compensation. If lines 1 and 9 are equal, fill in -0- 10. _____

Line 9 instructions – continued

Line 11 instructions – continued

Wisconsin Social Security Benefits Worksheet (Keep for your records)	
1. Taxable social security benefits from line 13b of federal Form 1040A or line 20b of Form 1040	1. _____ .
2. Amount from line 2 of your federal Social Security Benefits Worksheet	2. _____ .
3. Amount from line 9 of your federal Social Security Benefits Worksheet	3. _____ .
4. Fill in one-half of line 3	4. _____ .
5. Compare line 2 and line 4. Fill in the smaller amount	5. _____ .
6. Subtract line 5 from line 1. Fill in this amount on line 9 of Form 1	6. _____ .

If you participate in your employer’s fringe benefit cafeteria plan and agree to a voluntary salary reduction in return for a medical care insurance benefit, you may not consider the amount of your salary reduction an amount you paid for medical care insurance. In this situation, your employer is considered to have paid for your medical care insurance. Such programs may be known as, for example, flexible spending accounts, employe reimbursement accounts, etc.

If you are an employe whose employer did not contribute toward the cost of your medical care insurance, complete Worksheet 1. If you are self-employed, complete Worksheet 2.

Line 10 Capital Gain / Loss Adjustment

If your federal adjusted gross income includes capital gains and/or losses (see line 13, Form 1040), you must complete Schedule WD to determine if an adjustment is required to arrive at your Wisconsin income. For example, an adjustment may be required because Wisconsin law allows an exclusion of 60% of the net capital gain from assets held more than one year.

Note **EXCEPTION** If you reported a capital gain distribution from a mutual fund or real estate investment trust on line 13 of your federal Form 1040 and have no additional capital gains or losses reportable to Wisconsin, you may claim a capital gain exclusion on line 10. Fill in 60% of the amount of the capital gain distribution on line 10. Do not complete Wisconsin Schedule WD.

Line 11 Other Subtractions

Fill in on line 11 any of the subtractions described below that apply to you. Describe each subtraction. If more space is needed, attach a note to your Form 1.

Note See Additions To or Subtractions From Income on page 13 for information on other items which may have to be included on line 11.

(a) Medical Care Insurance If you paid medical care insurance costs during 1998 while you were self-employed or an employe whose employer did not contribute toward the cost of your medical care insurance, you may be able to subtract a portion of the cost of your medical care insurance.

“Medical care insurance” means a medical care insurance policy that covers you, your spouse, and dependents and provides surgical, medical, hospital, major medical, or other health service coverage. It does not include premiums for:

- Long-term care insurance,
- Life insurance policies,
- Policies providing payment for loss of earnings,
- Policies for loss of life, limb, sight, etc.,
- Policies that pay you a guaranteed amount each week for a stated number of weeks if you are hospitalized for sickness or injury, or
- The part of your car insurance premiums that provides medical insurance coverage for all persons injured in or by your car.

Worksheet 1 – Employes	
1. Amount you paid for medical care insurance in 1998, but do not include amounts paid during any period in which your employer contributed toward the cost of the insurance	1. _____
2. Fill in one-half of the amount on line 1	2. _____
3. Total wages, salaries, tips, and other employe compensation of both spouses	3. _____
4. Fill in the smaller of line 2 or 3 here and on line 11 of Form 1. This is your subtraction for medical care insurance	4. _____

Worksheet 2 – Self-Employed Persons	
1. Amount you paid for medical care insurance in 1998 while you were self-employed	1. _____
2. Self-employed health insurance deduction from line 28 of federal Form 1040*	2. _____
3. Amount of medical care insurance deducted on federal Schedule C or F for your employe spouse	3. _____
4. Add lines 2 and 3	4. _____
5. Subtract line 4 from line 1	5. _____
6. Net earnings from a trade or business**	6. _____
7. Fill in the smaller of line 5 or 6 here and on line 11 of Form 1. This is your subtraction for medical care insurance	7. _____
* Do not include any amounts deducted for long-term care insurance.	
** Net earnings from a trade or business means income from self-employment, including ordinary income from a trade or business as reported on Form 4797, line 18, and less the deduction for one-half of self-employment tax. The total earnings from a trade or business of both spouses are included. Do not include losses from a trade or business.	

New **(b) Long-Term Care Insurance** If you paid long-term care insurance costs during 1998, you may be able to subtract all or a portion of the cost of a long-term care insurance policy which covers you or your spouse.

“Long-term care insurance policy” means a disability insurance policy or certificate advertised, marketed, offered, or designed primarily to provide coverage for care that is provided in your

Line 11 instructions – continued

home or in an institutional or community-based setting. The care must be convalescent or custodial care or care for a chronic condition or terminal illness.

“Long-term care insurance policy” does not include a medicare supplement policy or medicare replacement policy or a continuing care contract. “Continuing care contract” means a contract which provides nursing services, medical services, or personal care services, in addition to food, shelter, and laundry services, for the duration of a person’s life or for a term in excess of one year, conditioned upon any of the following payments:

- An entrance fee in excess of \$10,000.
- Providing for the transfer of at least \$10,000 (if the amount is expressed in dollars) or 50% of the person’s estate (if the amount is expressed as a percentage of the person’s estate) to the service provider upon the person’s death.

If you paid long-term care insurance costs during 1998 for a policy which covers you or your spouse, complete the worksheet on this page to determine the amount of your subtraction.

Worksheet – Long-Term Care Insurance	
1. Amount paid for long-term care insurance in 1998	1. _____
2. Portion of long-term care insurance cost included as a self-employed health insurance deduction on line 28 of federal Form 1040	2. _____
3. Portion of long-term care insurance cost deducted on federal Schedule C or F for your employe spouse	3. _____
4. Add lines 2 and 3	4. _____
5. Subtract line 4 from line 1	5. _____
6. Fill in total taxable wages, taxable unearned income (e.g., interest, dividends, capital gains, pensions), and net earnings from a trade or business* (include both spouse's income if married filing a joint return)	6. _____
7. Fill in the smaller of line 5 or 6. This is your subtraction for long-term care insurance	7. _____
* Net earnings from a trade or business is your income from self-employment, including ordinary income from a trade or business as reported on Form 4797, line 18, and less the deduction for one-half of self-employment tax. Do not include losses from a trade or business.	



(c) Tuition Expenses You may be able to claim a subtraction for up to \$3,000 of the amount you paid during 1998 for tuition for you, your spouse (if married filing a joint return), and children whom you claim as dependents on your federal income tax return.

The tuition must have been paid during 1998 to attend any of the following:

- Classes in Wisconsin at a school which qualifies as a university, college, or technical college. A “university, college, or technical college” is any school which has a curriculum leading to a diploma, degree, or occupational or vocational objective.

Line 11 instructions – continued

- Classes in Wisconsin at other post-secondary (post-high school) schools that have been approved by the Wisconsin Educational Approval Board.
- Classes in Minnesota at a public vocational school or public institution of higher education in Minnesota under the Minnesota–Wisconsin tuition reciprocity agreement.

The subtraction does not apply to tuition paid to pre-schools or elementary or secondary schools (for example, grade schools and high schools).

Tuition paid to a school which fits into one of the three categories listed above may be subtracted regardless of the type of course taken. For example, tuition paid for craft or recreational courses at a technical college qualifies for the subtraction.

Tuition paid to a school which does not fit into any of the three categories listed above may not be claimed as a subtraction. For example, the subtraction does not apply to a fee paid to a retail craft store to attend a session on flower arranging.

Tuition paid for correspondence courses or courses received via the Internet or other electronic transmission qualifies for the subtraction as long as the courses are taken in Wisconsin, and are presented by a school (located in or outside Wisconsin) which qualifies as a university, college, or technical college, or a school approved by the Wisconsin Educational Approval Board.

Caution The subtraction only applies to tuition. Amounts paid as separate charges for other items such as books, supplies, room and board, or other costs may not be subtracted. The subtraction also does not apply to tuition which is reimbursed by your employer.

The subtraction is limited if your federal adjusted gross income exceeds certain amounts. Your federal adjusted gross income is the amount from line 33 of federal Form 1040, line 18 of Form 1040A, line 4 of Form 1040EZ, or line H of your TeleFile Tax Record.

If your filing status is:

Single or Head of Household

- If your federal adjusted gross income is \$50,000 or less, you may subtract the amount paid for tuition during 1998, but not more than \$3,000 per student.
- If your federal adjusted gross income is more than \$50,000 but less than \$60,000, use the worksheet on page 11 to figure the amount of your subtraction.
- If your federal adjusted gross income is \$60,000 or more, you may not subtract any amount for tuition expenses.

Married Filing Joint Return

- If your federal adjusted gross income is \$80,000 or less, you may subtract the amount paid for tuition during 1998, but not more than \$3,000 per student.
- If your federal adjusted gross income is more than \$80,000 but less than \$100,000, use the worksheet on page 11 to figure the amount of your subtraction.
- If your federal adjusted gross income is \$100,000 or more, you may not subtract any amount for tuition expenses.

Line 11 instructions – continued

Line 11 instructions – continued

Married Filing Separate Return

- If your federal adjusted gross income is \$40,000 or less, you may subtract the amount paid for tuition during 1998, but not more than \$3,000 per student.
- If your federal adjusted gross income is more than \$40,000 but less than \$50,000, use the worksheet below to figure the amount of your subtraction.
- If your federal adjusted gross income is \$50,000 or more, you may not subtract any amount for tuition expenses.

Tuition Expense Worksheet	
1. Amount paid for tuition in 1998. Do not fill in more than \$3,000 per student	1. _____
2. Fill in your federal adjusted gross income from line 1 of Form 1	2. _____
3. Fill in \$50,000 (\$80,000 if married filing joint return or \$40,000 if married filing separate return)	3. _____
4. Subtract line 3 from line 2	4. _____
5. Divide the amount on line 4 by 10,000 (20,000 if married filing joint return). Fill in decimal amount	5. _____
6. Multiply line 1 by the decimal amount on line 5	6. _____
7. Subtract line 6 from line 1. This is your subtraction for tuition expense	7. _____

(d) Retirement Benefits You may subtract any payments received from the retirement systems listed below, to the extent you have included such payments as income on your federal tax return, provided:

- (1) You were retired from the system before January 1, 1964, or
- (2) You were a member of the system as of December 31, 1963, retiring at a later date and payments you receive are from an account established before 1964, or
- (3) You are receiving payments from the system as the beneficiary of an individual who met either condition 1 or 2.

The specific retirement systems are:

Local and state retirement systems – Milwaukee City Employees, Milwaukee City Police Officers, Milwaukee Fire Fighters, Milwaukee Public School Teachers, Milwaukee County Employees, Milwaukee Sheriff, and Wisconsin State Teachers retirement systems.

Federal retirement systems – United States government civilian employe and military personnel retirement systems. Examples of such retirement systems include the Civil Service Retirement System, Federal Employees’ Retirement System, and Retired Serviceman’s Family Protection Plan.

Note Do not subtract the following:

- Payments received as a result of voluntary tax-sheltered annuity deposits in any of the retirement systems listed above.
- Payments received from one of the retirement systems listed above if you first became a member after December 31,

1963, even though pre-1964 military service may have been counted as creditable service in computing your retirement benefit.

- Payments received from the federal Thrift Savings Plan.

CAUTION Only retirement benefits based on qualified membership (i.e., membership which began before January 1964, as explained above) in one of the retirement systems listed above may be subtracted. Any portion of your retirement benefit based on membership in other retirement systems (or based on employment which began after December 31, 1963) is taxable and may not be subtracted from federal income.

Example 1 You were a member of the Wisconsin State Teachers Retirement System as of December 31, 1963. You left teaching after 1963 and withdrew the allowable amount from your retirement account, completely closing the account. Later you returned to teaching, and a new retirement account was established for you. Retirement benefits from this new account (established after 1963) do not qualify for the exemption.

Example 2 You were employed as a teacher and were a member of the Wisconsin State Teachers Retirement System from 1960-1965. From 1966 until retirement, you were employed by a state agency in a non-teaching capacity and were a member of the Wisconsin Retirement System. You receive an annuity from the Department of Employee Trust Funds based on employment in both retirement systems. Only the portion of the annuity attributable to the Wisconsin State Teachers Retirement System may be subtracted. Use the following formula to determine the exempt portion which may be subtracted:

$$\frac{\text{Years of creditable service in an exempt plan}}{\text{Total years of creditable service}} \times \frac{\text{Annuity included in federal income}}{\text{Annuity included in federal income}} = \text{Portion of annuity which may be subtracted}$$

Note If you received separate Forms 1099-R for the taxable and exempt portions of your annuity, you may use the Form 1099-R information instead of the above formula.

(e) Railroad Retirement Benefits, Railroad Unemployment Insurance, and Sickness Benefits Amounts received from the U.S. Railroad Retirement Board are not taxable for Wisconsin purposes. You may subtract such amounts to the extent included in your federal adjusted gross income.

However, if you included tier 1 railroad retirement benefits (RRB) as part of your taxable social security (SS), use the following formula to determine the subtraction for your tier 1 RRB.

$$\frac{\text{Tier 1 RRB}}{\text{Total tier 1 RRB and SS received}} \times \frac{\text{Taxable SS}^*}{\text{Taxable SS}^*} = \text{Subtraction for RRB}$$

* From line 20b of federal Form 1040 or line 13b of Form 1040A. However, if you computed a subtraction for social security on the Social Security Benefits Worksheet for line 9 on page 9, use the amount from line 5 of that worksheet.

(f) Adoption Expenses If you adopted a child for whom a final order of adoption was entered by a Wisconsin court during 1998, you may subtract up to \$5,000 of the amount you paid for adoption fees, court costs, and legal fees relating to the adoption. You may include amounts paid during 1996, 1997,

Line 11 instructions – continued

and 1998. Don't count amounts reimbursed under any adoption assistance program. If you adopt more than one child during the year, you may deduct up to \$5,000 of adoption expenses for each child.

- (g) **Recoveries of Federal Itemized Deductions** Fill in any amount included as income on your federal tax return that is a recovery of a federal itemized deduction for which you did not receive a Wisconsin tax benefit.

Example You claimed an itemized deduction on your 1997 federal tax return for a casualty loss of \$2,000. You could not claim the casualty loss for the itemized deduction credit on your 1997 Wisconsin income tax return. During 1998 you received a reimbursement of \$1,000 from your insurance company for part of the casualty loss. The \$1,000 reimbursement is included on your 1998 federal tax return as a recovery of an amount previously claimed as an itemized deduction. Because you did not claim the casualty loss for the itemized deduction credit for Wisconsin for 1997, the \$1,000 is not taxable to Wisconsin for 1998. Fill in the \$1,000 recovery on line 11.

- (h) **Wisconsin Net Operating Loss Carryforward** If you had a net operating loss (NOL) in an earlier year to carry forward to 1998, include the allowable amount on line 11. Attach a statement showing how you figured the amount. Get Publication 120, *Net Operating Losses for Individuals, Estates, and Trusts*, from any Department of Revenue office for more details on computing the NOL and the allowable deduction.

- (i) **Amounts Not Taxable by Wisconsin** You may subtract any amounts not taxable by Wisconsin (less related expenses except those expenses which are used to calculate the Wisconsin itemized deduction credit) which have been included as income on your federal tax return or excluded from federal deductions.

Example Relocation assistance received by persons displaced by condemnation, subject to the conditions set forth in section 32.19 of the Wisconsin Statutes may be subtracted. Fill in such amounts on line 11.

- (j) **Farm Loss Carryover** If you were subject to farm loss limitations (see instructions for line 4, part (a) for a description) on your 1986 or subsequent year Wisconsin income tax return, you may be able to claim a subtraction for all or a portion of the farm loss disallowed in those years. Farm losses disallowed as a deduction in 1986 or thereafter may be carried forward for 15 years to the extent that the farm losses are not offset against farm income of any year between the loss year and the year for which the carryover is claimed. The amount of carryover that can be subtracted is the lesser of (1) the farm loss carryover or (2) the net profits and net gains from the sale or exchange of capital or business assets in the current year from the same farming business or portion of that business to which the limits on deductible farm losses applied in the loss year.

Example You have a farm loss carryover from 1997 of \$30,000. For 1998 you report a net loss of \$2,000 on Schedule F and a net gain of \$6,000 from the sale of farm equipment on Form 4797. The gain and loss are from the same farming business to which the limitation applied in the loss year. You may subtract \$6,000 as a farm loss carryover on line 11.

- (k) **College Tuition Prepayment Program** You may subtract any amount included in federal adjusted gross income due to an increase in value of a tuition unit purchased under the Wisconsin college tuition prepayment program (EdVest Wisconsin).

Line 11 instructions – continued

- (l) **Disability Income Exclusion** If you are retired on permanent and total disability and have included your disability income on line 1 of Form 1, you may be able to subtract up to \$5,200 of your disability income. You must meet ALL these tests:

- You did not reach mandatory retirement age before January 1, 1998.
- You were under age 65 on December 31, 1998.
- You were permanently and totally disabled –
 - a. when you retired, or
 - b. on January 1, 1976, or January 1, 1977, if you retired before January 1, 1977, on disability or under circumstances which entitled you to retire on disability.
- If you were married at the end of 1998, you must file a joint return.
- You did not in any year prior to 1984 choose to treat your disability income as a pension instead of taking the exclusion.

Compute your exclusion on Wisconsin Schedule 2440W (Disability Income Exclusion), which you can get from any department office. Attach Schedule 2440W to your Form 1.

- New** (m) **Sale of Business Assets or Assets Used in Farming to a Related Person** You may subtract the taxable portion of gain you realize from the sale or disposition to a related person of business assets or assets used in farming if the following conditions apply:

- The related person is your child, grandchild, great grandchild, parent, brother or sister, nephew or niece, grandparent, great grandparent, or aunt or uncle. The person may be related to you by blood, marriage, or adoption.
- The asset was held by you for more than 12 months.
- The gain is treated as capital gain for federal tax purposes. Amounts treated as ordinary income do not qualify.

Gain on the sale or disposition of shares in a corporation or trust qualifies only if:

- The number of shareholders or beneficiaries does not exceed 15. Lineal ancestors and descendants and aunts, uncles, and 1st cousins thereof count collectively as one shareholder or beneficiary. This collective authorization may not be used for more than one family in a single corporation or trust.
- The corporation does not have more than two classes of shares.
- All shareholders or beneficiaries, other than any estate, are natural persons.

Farming "Farming" means the cultivation of land or the raising or harvesting of any agricultural or horticultural commodity including the raising, shearing, feeding, caring for, training, and management of animals. Trees (other than trees bearing fruit or nuts) are not treated as an agricultural or horticultural commodity. (Trees may qualify as a business asset, see below.)

Business Assets "Business assets" are assets used in an activity carried on for a livelihood or in good faith to make a profit. The facts and circumstances of each case determine whether or not an activity is a business. Regularity of activities and transactions and the production of income are important elements. You do not need to actually make a profit to be in a business as long as you have a profit motive. You do need, however, to make ongoing efforts to further the interests of your business.

Line 11 instructions – continued

“Business assets” include assets used in the performance of services by an individual as an employee and assets used in the conduct of a trade or business by an individual who is self-employed.

“Business assets” do not include investment and rental property (for example, stocks, bonds, and residential rental property) unless you are subject to federal self-employment tax on the earnings from the activity. (Note Rental property which is a farm or farm equipment may qualify as an asset “used in farming.”)

Computing the subtraction You must first complete Wisconsin Schedule WD. The amount of gain that may be subtracted is determined after netting all capital gains and losses on Schedule WD.

- If amounts reported in Parts I and II of Schedule WD consist only of capital gains, your subtraction is equal to 40% of the gain on the sale of the asset to the related person.
- If the amount on line 15 or 16 of Schedule WD is a net loss, you may not subtract any amount as gain on the sale of the asset to the related person.
- If the amount on line 16 of Schedule WD is a net gain and (1) the only gain reported on Schedule WD is from the sale of the asset to the related person and (2) you show a loss on line 14, column (f) of Schedule WD and/or on line 7 of Schedule WD, your subtraction is equal to the amount on line 19 of Schedule WD.
- If the amount on line 16 of Schedule WD is a net gain and (1) the only long-term gain reported on Schedule WD is from the sale of the asset to the related person, (2) you show a loss on line 14, column (f) of Schedule WD, and (3) you show a gain on line 7 of Schedule WD, your subtraction is equal to the amount on line 19 of Schedule WD less the amount on line 7 of Schedule WD.
- If the amount on line 16 of Schedule WD is a net gain and (1) that net gain includes more than one long-term capital gain and (2) you show a loss on line 14, column (f) of Schedule WD and/or on line 7 of Schedule WD, complete the following worksheet to compute your subtraction.
- If the amount on line 16 of Schedule WD is a net gain and (1) that net gain includes more than one long-term capital gain, (2) you show a loss on line 14, column (f) of Schedule WD, and (3) you show a gain on line 7 of Schedule WD, complete the following worksheet to compute your subtraction.

Worksheet for Gain on Sale of Assets to Related Person	
1. Amount from line 19 of Schedule WD . . .	1. _____
2. Net short-term gain, if any, from line 7 of Schedule WD	2. _____
3. Subtract line 2 from line 1	3. _____
4. Long-term gain on the sale of asset to related person	4. _____
5. Total long-term capital gain from line 14, column (g) of Schedule WD	5. _____
6. Divide line 4 by line 5. Fill in decimal amount	6. _____
7. Multiply line 3 by line 6. This is your subtraction for gain on the sale of assets to a related person	7. _____

Line 11 instructions – continued

Additions To or Subtractions From Income

The following items may be either an addition to or a subtraction from federal adjusted gross income, depending on your situation. Fill in any additions that apply to you on line 4. Fill in any subtractions that apply to you on line 11.

(a) Tax-Option (S) Corporation Adjustments Fill in any of the following adjustments that apply to you:

- (1) If you were a shareholder of a tax-option (S) corporation which is required to file a Wisconsin franchise or income tax return, you will receive a Wisconsin Schedule 5K-1 from the S corporation informing you of any adjustments to be made for Wisconsin tax purposes.
- (2) If you are a shareholder of a federal S corporation that elects not to be treated as a Wisconsin tax-option (S) corporation, you must reverse all items of S corporation income, loss, or deduction included on your federal return and then add your pro rata share of any distributions made by the corporation of earnings and profits (**CAUTION** Do not reverse any item of S corporation income or loss reported on federal Schedule D. These items have already been removed from Wisconsin income when you completed Wisconsin Schedule WD.)
- (3) Instead of using tax-option (S) corporation items deductible on federal Schedule A to compute the Wisconsin itemized deduction credit, you may elect to treat these items as subtraction modifications. Your subtraction is limited to the amount actually deductible for federal purposes.

For more information, get Publication 102, *Wisconsin Tax Treatment of Tax-Option (S) Corporations and Their Shareholders*, which is available from any Department of Revenue office.

(b) Your Share of Partnership, Trust, or Estate Adjustments If you were a member of a partnership or you received income from an estate or trust, you will receive a statement from the partnership, trust, or estate notifying you of any additions or subtractions which you should make on your return. Fill in the amount of any such additions on line 4 and any subtractions on line 11.

(c) Differences in Federal and Wisconsin Basis of Assets Additions or subtractions may be necessary if there is a difference between the federal basis and the Wisconsin basis of your property. Additions or subtractions are necessary if:

- (1) You acquired property after December 31, 1964, which may be depreciated or amortized (such as buildings and leaseholds), and the federal basis is greater or less than the Wisconsin basis.
- (2) You sold (or otherwise disposed of) property which may not be depreciated or amortized (such as land, stocks, and bonds) in a taxable transaction, and your basis in the assets was greater or less for federal purposes than for Wisconsin.

Example You sold stock which you acquired by inheritance and your federal basis was greater than your Wisconsin basis. You must make an adjustment for the difference in basis.

Compute the amount of any addition or subtraction due to a difference in basis on Wisconsin Schedule T (Transitional Adjustments), which you can get from any department office. Attach a completed Schedule T to your Form 1.

Line 11 instructions – continued

(d) Differences in Federal and Wisconsin Basis of Partnership Interest An addition or subtraction may be necessary if you sold your interest in a partnership and any increases or decreases were made to the federal basis of your partnership interest in taxable years prior to 1975, which resulted from partnership business or property located outside Wisconsin. (Prior to 1975, Wisconsin did not tax income from business or property located outside Wisconsin.) Compute any addition or subtraction due to a difference in basis on Wisconsin Schedule T.

(e) Differences in Federal and Wisconsin Reporting of Marital Property (Community) Income If you are married filing a separate return or married filing as head of household or if you obtained a decree of divorce or separate maintenance during 1998, you may have to report a different amount of income on your Wisconsin Form 1 than on your federal Form 1040. Fill in on line 4 any additional amount which is taxable to you rather than your spouse because of any difference in federal and state reporting of marital property (community) income. Fill in on line 11 any amount which is taxable to your spouse rather than to you because of any difference in federal and state reporting of marital property (community) income. For further information, get Publication 109, *Tax Information for Married Persons Filing Separate Returns and Persons Divorced in 1998*, from any Department of Revenue office.

■ Line 14 Tax

Use the amount on line 13 to find your tax in the Tax Table on pages 26-30. Find your income-level bracket and read across to the column showing your filing status to find your tax. Be sure you use the correct column in the Tax Table for your filing status. Fill in your tax on line 14 and check the box to indicate the tax is from the "Tax Table."

Note The Wisconsin standard deduction is built into the Tax Table. The Tax Table automatically allows you the correct standard deduction for your income and filing status.

EXCEPTION Because of this built-in standard deduction, certain taxpayers cannot use the Tax Table. If you are one of the persons listed below, DO NOT use the Tax Table. Instead, check the "Special Tax Worksheet" box on line 14 of Form 1 and use the worksheet which appears on this page to determine your tax.

1. Persons who have more than \$250 of unearned income (such as interest or dividends) and can be claimed as a dependent on another person's (for example, parent's) income tax return.
2. Persons who file short period income tax returns.
3. Persons who file federal Form 4563 to claim an exclusion of income from sources within U.S. possessions.

Dependent With Unearned Income If you have more than \$250 of unearned income (such as interest, dividends, unemployment compensation, etc.) and can be claimed as a dependent for income tax purposes by another person, there is a limit on the amount of standard deduction you may claim. You must use the Special Tax Worksheet to compute your standard deduction and your tax.

EXCEPTION If you are not required to file a return (see Who Must File on page 2), but are doing so to obtain a refund of Wisconsin withholding or estimated tax payments, fill in -0- on line 14 of Form 1. Do not use the worksheet to compute your tax.

Line 14 instructions – continued

Taxpayers Who File Short Period Returns or Claim an Exclusion of Income From Sources Within U.S. Possessions If you file a short period return or you file federal Form 4563 to claim an exclusion of income from sources within U.S. possessions, you are not allowed any amount of standard deduction. Skip lines 2, 4, and 5 of the worksheet and fill in -0- on line 6.

Special Tax Worksheet for Persons Who Cannot Use the Tax Table

1. Fill in the amount from line 13 of Form 1 . 1. _____
2. Amount of earned income* included in line 1 2. _____
3. Addition amount 3. 250.00
4. Add lines 2 and 3. If total is less than \$700, fill in \$700 4. _____
5. Use the amount on line 1 to find your standard deduction in the table on page 31 of these instructions. Fill in the standard deduction here 5. _____
6. Look at lines 4 and 5. Fill in the **smaller** of the two amounts here. This is your allowable standard deduction 6. _____
7. Subtract line 6 from line 1 7. _____
8. Use the amount on line 7 to compute your tax using the appropriate Tax Rate Schedule on page 31. Be sure to use the correct schedule for your filing status. Fill in the tax here and on line 14 of Form 1 8. _____

* Earned income includes wages, salaries, tips, other employee compensation, scholarships and fellowships which are reported on a W-2, and net earnings from self-employment.

■ Line 15 Dependent Credit

The term "dependents" does **NOT** include you or your spouse.

Those persons who qualify as your dependents for federal income tax purposes may also be claimed as dependents on your Wisconsin return. Indicate the number of dependents that you are claiming in the space provided. Multiply the number of dependents by \$50, and fill in the answer on line 15.

■ Line 16 Senior Citizen Credit

The senior citizen credit is available only to persons who were age 65 or older on December 31, 1998, and whose income is below certain amounts.

Single Person

- If the amount on line 13 of Form 1 is \$30,000 or less, fill in \$25 on line 16.
- If the amount on line 13 of Form 1 is more than \$30,000 but less than \$31,000, use the worksheet on page 15 to compute your credit.
- If the amount on line 13 of Form 1 is \$31,000 or more, fill in -0- on line 16.

Line 16 instructions – continued

Married Persons Filing a Joint Return

- If the amount on line 13 of Form 1 is \$40,000 or less, fill in \$25 on line 16 (\$50 if both spouses were age 65 or older on December 31, 1998).
- If the amount on line 13 of Form 1 is more than \$40,000 but less than \$41,000, use the worksheet below to compute your credit. (Note If both spouses were age 65 or older on December 31, 1998, the credit is two times the amount shown on line 6 of the worksheet.)
- If the amount on line 13 of Form 1 is \$41,000 or more, fill in -0- on line 16.

Married Person Not Filing a Joint Return

- If the amount on line 13 of Form 1 is \$20,000 or less, fill in \$25 on line 16.
- If the amount of line 13 of Form 1 is more than \$20,000 but less than \$21,000, use the worksheet below to compute your credit.
- If the amount on line 13 of Form 1 is \$21,000 or more, fill in -0- on line 16.

Senior Citizen Credit Worksheet	
1. Amount of credit before phase-out	1. <u> \$25.00 </u>
2. Amount from line 13 of Form 1	2. <u> </u>
3. Fill in \$30,000 (\$40,000 if married filing a joint return or \$20,000 if married and are not filing a joint return	3. <u> </u>
4. Subtract line 3 from line 2	4. <u> </u>
5. Multiply line 4 by .025	5. <u> </u>
6. Subtract line 5 from line 1. Fill in here and on line 16 of Form 1*	6. <u> </u>
* If a joint return and both spouses are 65 or older, multiply line 6 by 2 and enter result on line 16 of Form 1.	

Line 17 Wisconsin Itemized Deduction Credit

If the total of certain federal itemized deductions exceeds your Wisconsin standard deduction, you may claim the Wisconsin itemized deduction credit.

Complete Schedule 1 on page 3 of Form 1 to see if you can claim the credit. Schedule 1 lists the specific deductions to use from federal Schedule A (see exceptions below).

If you did not itemize deductions for federal tax purposes, use the amounts which would be deductible if you had itemized deductions. To determine the amounts to use, complete a federal Schedule A. Write "Wisconsin" at the top of this Schedule A and attach it to your Form 1.

Note **EXCEPTIONS** The following deductions from federal Schedule A cannot be used when completing Schedule 1:

- Medical expenses – the amount of medical care insurance and long-term care insurance claimed as a subtraction on line 11.
- Interest – paid on a second home located outside Wisconsin.
 - paid on a residence which is a boat.
 - paid to purchase or hold U.S. Government securities.

Line 17 instructions – continued

- Miscellaneous deductions – the amount deducted as a repayment of income previously taxed if you are claiming a Wisconsin credit for this repayment.
- Contributions, miscellaneous, interest, and other itemized deductions allocated to you by a tax-option (S) corporation, if you treated the amount as a subtraction on line 11.

Line 18 Renter's and Home Owner's School Property Tax Credit

You may claim a credit if you paid rent during 1998 for living quarters used as your primary residence OR you paid property taxes during 1998 on your home. You are eligible for a credit whether or not you claim homestead credit on line 39.

Special Cases

If You Paid Both Property Taxes and Rent You may claim both the renter's credit on line 18a and the home owner's credit on line 18b. The total combined credits claimed on lines 18a and 18b may not exceed \$350 (\$175 if married filing a separate return or married filing as head of household).

Married Persons Filing a Joint Return Determine your credits by using the rent and property taxes paid by both spouses.

Married Persons Filing Separate Returns or Married Persons Filing as Head of Household Each spouse may claim a credit. Each spouse may use only his or her own property taxes and rent to determine the credit. The maximum combined renter's and home owner's credit allowable on lines 18a and 18b to each spouse is \$175.

Persons Who Jointly Own a Home or Share Rented Living Quarters When two or more persons (other than husband and wife) jointly own a home or share rented living quarters, each may claim a credit. However, the property taxes and rent paid must be divided between the owners or occupants. See instructions for lines 18a and 18b.

Line 18a How to Determine the Renter's School Property Tax Credit

Step 1 Rent Paid in 1998 Fill in on the appropriate line(s) the total rent that you paid in 1998 for living quarters (1) where the heat was included in the rent, and (2) where the heat was not included in the rent. The living quarters must have been used as your principal home. Do not include any rent which you may claim as a business expense. Do not include rent paid for housing that is exempt from property taxes. (Property owned by a public housing authority is considered tax exempt unless that authority makes payments in place of property taxes to the city or town in which it is located. If you live in public housing, you may wish to check with your manager on this point.)

If the rent you paid included domestic, food, medical, or other services, reduce the amount filled in for rent paid in 1998 by the value of these items. If you shared living quarters with one or more persons (other than your spouse or dependents), fill in only the portion of the total rent which you paid in 1998. For example, if you and two other individuals rented an apartment and paid a total rent of \$3,000 in 1998, and you each paid \$1,000 of the rent, each could claim a credit based on \$1,000 of rent.

Step 2 Refer to the Renter's School Property Tax Credit Table on page 16 to determine your credit. If heat was included in your rent,

Line 18a instructions – continued

use Column 1 of the table. If heat was not included in your rent, use Column 2. Fill in the amount of your credit on line 18a.

Exception If you paid both rent where heat was included and rent where heat was not included, complete the following worksheet.

Renter's Worksheet	
(Complete only if Exception described above applies)	
1. Credit for rent with heat included (from Column 1 of Table below)	1. _____
2. Credit for rent where heat not included (from Column 2 of Table below)	2. _____
3. Add lines 1 and 2. Fill in on line 18a of Form 1*	3. _____
* Do not fill in more than \$350 (\$175 if married filing a separate return or married filing as head of household)	

Line 18b How to Determine the Home Owner's School Property Tax Credit

Step 1 Property Taxes Paid on Home in 1998 Fill in the total amount of property taxes you *paid* during 1998 on your home. Do not include the following:

- Charges for special assessments, delinquent interest, or services which may be included on your tax bill (like trash removal, recycling fee, or a water bill).
- Property taxes which you may claim as a business expense (for example, farm taxes or rental property taxes).
- Property taxes paid on nonbusiness property (such as a cottage or vacant land) other than your home.
- Property taxes paid in any year other than 1998.

Renter's School Property Tax Credit Table*

If Rent Paid is:		Your Line 18a Credit is:		If Rent Paid is:		Your Line 18a Credit is:		If Rent Paid is:		Your Line 18a Credit is:		If Rent Paid is:		Your Line 18a Credit is:	
		Col. 1	Col. 2			Col. 1	Col. 2			Col. 1	Col. 2			Col. 1	Col. 2
		At Least	But Less Than			Heat In-cluded in Rent	Heat Not In-cluded in Rent			At Least	But Less Than			Heat In-cluded in Rent	Heat Not In-cluded in Rent
\$ 1	\$ 100	\$ 1	\$ 2	\$ 3,500	\$ 3,600	\$ 99	\$ 124	\$ 7,000	\$ 7,100	\$ 197	\$ 247	\$10,500	\$10,600	\$ 295	\$ 350
100	200	4	5	3,600	3,700	102	128	7,100	7,200	200	250	10,600	10,700	298	350
200	300	7	9	3,700	3,800	105	131	7,200	7,300	203	254	10,700	10,800	301	350
300	400	10	12	3,800	3,900	108	135	7,300	7,400	206	257	10,800	10,900	304	350
400	500	13	16	3,900	4,000	111	138	7,400	7,500	209	261	10,900	11,000	307	350
500	600	15	19	4,000	4,100	113	142	7,500	7,600	211	264	11,000	11,100	309	350
600	700	18	23	4,100	4,200	116	145	7,600	7,700	214	268	11,100	11,200	312	350
700	800	21	26	4,200	4,300	119	149	7,700	7,800	217	271	11,200	11,300	315	350
800	900	24	30	4,300	4,400	122	152	7,800	7,900	220	275	11,300	11,400	318	350
900	1,000	27	33	4,400	4,500	125	156	7,900	8,000	223	278	11,400	11,500	321	350
1,000	1,100	29	37	4,500	4,600	127	159	8,000	8,100	225	282	11,500	11,600	323	350
1,100	1,200	32	40	4,600	4,700	130	163	8,100	8,200	228	285	11,600	11,700	326	350
1,200	1,300	35	44	4,700	4,800	133	166	8,200	8,300	231	289	11,700	11,800	329	350
1,300	1,400	38	47	4,800	4,900	136	170	8,300	8,400	234	292	11,800	11,900	332	350
1,400	1,500	41	51	4,900	5,000	139	173	8,400	8,500	237	296	11,900	12,000	335	350
1,500	1,600	43	54	5,000	5,100	141	177	8,500	8,600	239	299	12,000	12,100	337	350
1,600	1,700	46	58	5,100	5,200	144	180	8,600	8,700	242	303	12,100	12,200	340	350
1,700	1,800	49	61	5,200	5,300	147	184	8,700	8,800	245	306	12,200	12,300	343	350
1,800	1,900	52	65	5,300	5,400	150	187	8,800	8,900	248	310	12,300	12,400	346	350
1,900	2,000	55	68	5,400	5,500	153	191	8,900	9,000	251	313	12,400	12,500	349	350
2,000	2,100	57	72	5,500	5,600	155	194	9,000	9,100	253	317	12,500	or more	350	350
2,100	2,200	60	75	5,600	5,700	158	198	9,100	9,200	256	320				
2,200	2,300	63	79	5,700	5,800	161	201	9,200	9,300	259	324				
2,300	2,400	66	82	5,800	5,900	164	205	9,300	9,400	262	327				
2,400	2,500	69	86	5,900	6,000	167	208	9,400	9,500	265	331				
2,500	2,600	71	89	6,000	6,100	169	212	9,500	9,600	267	334				
2,600	2,700	74	93	6,100	6,200	172	215	9,600	9,700	270	338				
2,700	2,800	77	96	6,200	6,300	175	219	9,700	9,800	273	341				
2,800	2,900	80	100	6,300	6,400	178	222	9,800	9,900	276	345				
2,900	3,000	83	103	6,400	6,500	181	226	9,900	10,000	279	348				
3,000	3,100	85	107	6,500	6,600	183	229	10,000	10,100	281	350				
3,100	3,200	88	110	6,600	6,700	186	233	10,100	10,200	284	350				
3,200	3,300	91	114	6,700	6,800	189	236	10,200	10,300	287	350				
3,300	3,400	94	117	6,800	6,900	192	240	10,300	10,400	290	350				
3,400	3,500	97	121	6,900	7,000	195	243	10,400	10,500	293	350				

***Caution** The credit allowed certain persons may be less than the amount indicated. See "Special Cases" on page 15.

Line 18b instructions – continued

The property taxes for your home to be filled in are further limited as follows:

- a. If a home was purchased or sold during 1998, the property taxes of the seller and buyer are the taxes set forth for each in the closing agreement made at the sale or purchase of the home. If the closing agreement does not divide the taxes between the seller and buyer, divide the property taxes between the seller and the buyer on the basis of the number of months each one owned the home.
- b. If you owned a mobile home during 1998, property taxes include the mobile home parking permit fees paid to your municipality and/or the personal property taxes paid on your mobile home. Payments for space rental should be filled in as rent on line 18a.
- c. If you, or you and your spouse, owned a home jointly with one or more other persons, you may only use that portion of the property taxes which reflects your percentage of ownership. For example, if you and another person (other than your spouse) jointly owned a home on which taxes of \$1,500 were paid, each of you would claim a credit based on \$750 of taxes.

Line 18b instructions – continued

CAUTION Property taxes paid during 1998 must be reduced by any amounts received as a refund of such taxes. For example, a taxpayer claimed farmland preservation credit (which is considered a refund of property taxes) on his or her 1997 Wisconsin return. The taxpayer received a farmland preservation credit in 1998 of \$600 which was based on 1997 property taxes accrued of \$6,000. The 1997 property taxes were paid in 1998 and 10% of such taxes were allocable to the personal residence and 90% to the farm property. Thus, for tax purposes, property taxes paid on the entire property during 1998 are \$5,400 (\$6,000 less \$600 farmland preservation credit). Of this amount, \$540 (10% of \$5,400) is used to compute the 1998 school property tax credit.

Step 2 After you have filled in the amount of property taxes paid on your home in 1998, refer to the Home Owner's School Property Tax Credit Table on this page to determine your credit. Fill in the amount of your credit on line 18b.

CAUTION If you are also claiming the renter's credit on line 18a, the total of your renter's and home owner's credits may not exceed \$350 (\$175 if married filing a separate return or married filing as head of household).

Home Owner's School Property Tax Credit Table*

If Property Taxes are:			If Property Taxes are:			If Property Taxes are:		
At Least	But Less Than	Line 18b Credit is	At Least	But Less Than	Line 18b Credit is	At Least	But Less Than	Line 18b Credit is
\$ 1	\$ 25	\$ 2	\$ 875	\$ 900	\$ 124	\$1,750	\$1,775	\$ 247
25	50	5	900	925	128	1,775	1,800	250
50	75	9	925	950	131	1,800	1,825	254
75	100	12	950	975	135	1,825	1,850	257
100	125	16	975	1,000	138	1,850	1,875	261
125	150	19	1,000	1,025	142	1,875	1,900	264
150	175	23	1,025	1,050	145	1,900	1,925	268
175	200	26	1,050	1,075	149	1,925	1,950	271
200	225	30	1,075	1,100	152	1,950	1,975	275
225	250	33	1,100	1,125	156	1,975	2,000	278
250	275	37	1,125	1,150	159	2,000	2,025	282
275	300	40	1,150	1,175	163	2,025	2,050	285
300	325	44	1,175	1,200	166	2,050	2,075	289
325	350	47	1,200	1,225	170	2,075	2,100	292
350	375	51	1,225	1,250	173	2,100	2,125	296
375	400	54	1,250	1,275	177	2,125	2,150	299
400	425	58	1,275	1,300	180	2,150	2,175	303
425	450	61	1,300	1,325	184	2,175	2,200	306
450	475	65	1,325	1,350	187	2,200	2,225	310
475	500	68	1,350	1,375	191	2,225	2,250	313
500	525	72	1,375	1,400	194	2,250	2,275	317
525	550	75	1,400	1,425	198	2,275	2,300	320
550	575	79	1,425	1,450	201	2,300	2,325	324
575	600	82	1,450	1,475	205	2,325	2,350	327
600	625	86	1,475	1,500	208	2,350	2,375	331
625	650	89	1,500	1,525	212	2,375	2,400	334
650	675	93	1,525	1,550	215	2,400	2,425	338
675	700	96	1,550	1,575	219	2,425	2,450	341
700	725	100	1,575	1,600	222	2,450	2,475	345
725	750	103	1,600	1,625	226	2,475	2,500	348
750	775	107	1,625	1,650	229	2,500	or more	350
775	800	110	1,650	1,675	233			
800	825	114	1,675	1,700	236			
825	850	117	1,700	1,725	240			
850	875	121	1,725	1,750	243			

*Caution The credit allowed certain persons may be less than the amount indicated. See "Special Cases" on page 15.



Line 19 Working Families Tax Credit

If your income is less than the amount indicated below for your filing status, you may claim the working families tax credit.

Exception You may not claim the working families tax credit if you may be claimed as a dependent on another person's (for example, your parent's) income tax return.

Single, Head of Household, or Married Filing Separate Return

- If the amount on line 13 of Form 1 is \$9,000 or less, your credit is equal to your tax. Fill in the amount from line 14 of Form 1 on line 19.
- If the amount on line 13 of Form 1 is more than \$9,000 but less than \$10,000, use the worksheet on page 18 to compute your credit.
- If the amount on line 13 of Form 1 is \$10,000 or more, fill in -0- on line 19. You do not qualify for the working families tax credit.

Married Filing Joint Return

- If the amount on line 13 of Form 1 is \$18,000 or less, your credit is equal to your tax. Fill in the amount from line 14 of Form 1 on line 19.
- If the amount on line 13 of Form 1 is more than \$18,000 but less than \$19,000, use the worksheet on page 18 to compute your credit.
- If the amount on line 13 of Form 1 is \$19,000 or more, fill in -0- on line 19. You do not qualify for the working families tax credit.

Line 19 instructions – continued

Working Families Tax Credit Worksheet

Complete this worksheet only if your income on line 13 of Form 1 is between \$9,000 and \$10,000 (between \$18,000 and \$19,000 if married filing a joint return). **Caution** Do not complete this worksheet if you may be claimed as a dependent on another person's return.

1. Amount from line 14 of Form 1 1. _____
2. Total credits from lines 15 through 18b of Form 1 plus any historic rehabilitation credit which will be included on line 20 . . 2. _____
3. Subtract line 2 from line 1 3. _____
4. Fill in \$10,000 (\$19,000 if married filing a joint return) 4. _____
5. Fill in amount from line 13 of Form 1 5. _____
6. Subtract line 5 from line 4 6. _____
7. Divide line 6 by one thousand (1,000). Fill in decimal amount 7. _____
8. Multiply line 3 by line 7. This is your working families tax credit. Fill in this amount on line 19 of Form 1 8. _____

Line 23 Alternative Minimum Tax

You may owe Wisconsin alternative minimum tax if you benefit from certain deductions, credits, and the special tax treatment of some kinds of income. This tax is figured on Schedule MT. Use the worksheet in the next column to see if you must complete Schedule MT.

If line 10 of the worksheet is more than the amount on Form 1, line 22, fill in Schedule MT to see if you owe the alternative minimum tax. If line 10 is equal to or less than the amount on Form 1, line 22, do not fill in Schedule MT.

Include the following adjustments and preference items on line 2 of the worksheet at right.

Adjustment and Tax Preference Items

1. Accelerated depreciation.
2. Amortization of certified pollution control facilities or depletion.
3. Income from incentive stock options.
4. Intangible drilling, circulation, research, experimental, or mining exploration and development costs.
5. Income or (loss) from tax shelter farm activities or passive activities.
6. Percentage of completion income from long-term contracts.
7. Interest paid on a home mortgage not used to buy, build, or substantially improve your home.
8. Investment interest expense.
9. Wisconsin net operating loss deduction.

You may get Schedule MT from any department office.

Line 25 Married Couple Credit

You can claim the married couple credit if:

- You are married filing a joint return, and
- Both you and your spouse have qualified earned income, and
- You do not file federal Form 2555 or Form 2555EZ to claim an exclusion of foreign earned income or Form 4563 to claim an exclusion of income from sources in U.S. possessions.

To compute the credit, fill in Schedule 2 on page 3 of Form 1. Figure earned income separately for yourself and your spouse on lines 1 through 3 in Columns (A) and (B) of Schedule 2.

“Earned income” includes taxable wages, salaries, tips, scholarships or fellowships (only amounts reported on a W-2), other employe compensation, disability income treated as wages, and net earnings from self-employment.

“Earned income” does not include other income such as interest, dividends, IRA distributions, deferred compensation, unemployment compensation, rental income, social security, pensions, annuities, or nontaxable income. Do not consider marital property law, marital property agreements, or unilateral statements in figuring each spouse’s earned income.

The credit is based on qualified earned income. You must figure qualified earned income separately for yourself and your spouse. Figure it on lines 4 and 5 of Schedule 2 by subtracting the total of

(Line 25 instructions continued on next page) ►

Worksheet To See If You Should Fill in Schedule MT

Caution If you are married filing separately and line 3 of this worksheet is more than \$165,000, you should fill in Schedule MT.

1. Fill in the amount from Form 1, line 13 . . . 1. _____
2. Fill in the total of all adjustments and preference items that apply to you 2. _____
3. Add lines 1 and 2 3. _____
4. Fill in \$45,000 (\$22,500 if married filing separately; \$33,750 if single or head of household) 4. _____
5. Subtract line 4 from line 3. If zero or less, **stop here**; you don't need to fill in Schedule MT 5. _____
6. Fill in \$150,000 (\$75,000 if married filing separately; \$112,500 if single or head of household) 6. _____
7. Subtract line 6 from line 3. If zero or less, fill in -0- here and on line 8 and go to line 9 7. _____
8. Multiply line 7 by 25% (.25) and fill in the result but **do not** fill in more than line 4 above 8. _____
9. Add lines 5 and 8 9. _____
10. Multiply line 9 by 6.5% (.065) 10. _____

Line 25 instructions – continued

certain adjustments from earned income. These adjustments (and the related lines on federal Form 1040) are:

- IRA deduction (line 23),
- Keogh and self-employed SEP and SIMPLE plans (line 29),
- Repayment of supplemental unemployment benefits (included in the total on line 32),
- Employe expenses of qualified performing artists and of fee-basis state or local government officials, and contributions to Section 501(c)(18) pension plans (included in the total on line 32), and
- Disability income exclusion (from line 11 of Wisconsin Form 1).

New

Line 26 Manufacturer's Sales Tax Credit

The manufacturer's sales tax credit is available for the amount of sales and use tax paid on fuel and electricity consumed in manufacturing in Wisconsin. If you qualify for this credit, attach a completed Schedule MS to your Form 1. Fill in on line 26 of Form 1 the amount from line 18 of Schedule MS.

Line 29 Temporary Recycling Surcharge

Who is subject to the surcharge The surcharge applies to individuals who must file a Wisconsin income tax return and have:

- Nonfarm trade or business activities (as defined later) in Wisconsin, or
- Income as a statutory employe (as defined later) in Wisconsin, or
- Farming activities in Wisconsin.

Exceptions The surcharge does not apply to an individual who:

- has less than \$4,000 of gross receipts (as defined later) for federal income tax purposes and isn't engaged in farming, or
- is engaged only in farming and has less than \$1,000 of net farm profit for federal income tax purposes, or
- is engaged in both farming and other trade or business activities with less than \$4,000 of gross receipts from all nonfarm trade or business activities and less than \$1,000 of net farm profit for federal income tax purposes, or
- is a duly ordained, commissioned, or licensed minister, member of a religious order, or Christian Science practitioner. (**Note** This exception to the surcharge is limited to income related to the performance of ministerial services, duties required by the order, or service as a Christian Science practitioner.)
- files his or her return on a fiscal year basis and has a fiscal year which ends after April 1, 1999.

If any of the above exceptions apply, do not fill in any amounts on line 29.

Definitions

Farming Farming is the cultivation of land or the raising or harvesting of any agricultural or horticultural commodity including the raising, shearing, feeding, caring for, training, and management of animals. Trees, other than trees bearing fruit or nuts, aren't treated as an agricultural or horticultural commodity. Raising or harvesting Christmas trees is not considered farming.

Net farm profit Net farm profit is all farm income less all farm expenses for federal income tax purposes. It includes the amount

Line 29 instructions – continued

identified as "Net farm profit or (loss)" on federal Schedule F plus any ordinary income (loss) from farming reported on federal Form 4797, line 18, less the deduction for one-half of the federal self-employment tax paid on the farm income and the federal self-employed health insurance deduction if the insurance plan was established under the farm business.

Gross receipts Gross receipts include:

- total receipts or sales from all nonfarm trade or business activities (as defined later) reportable for federal income tax purposes, before deducting returns and allowances and any other business expenses (for example, line 1 of federal Schedule C plus the sales price of business assets producing ordinary income (loss) reported on federal Form 4797), and
- total wages received as a statutory employe, before deducting any business expenses.

Net business income Net business income is the net profit from a trade or business (as defined later) except farming. It includes net income received as a statutory employe, reportable on 1998 federal Schedule C, line 31, or Schedule C-EZ, line 3. The net profit is all business income less all deductible business expenses for federal income tax purposes, even though some business activities may be conducted outside Wisconsin. It includes ordinary income (loss) reported on Form 4797, line 18. For purposes of computing the surcharge, net business income is reduced by the deduction for 50% of federal self-employment taxes paid on the business income and for the federal self-employed health insurance deduction if the insurance plan was established under the business.

Statutory employe An individual who receives a wage statement, Form W-2, that has the "Statutory employe" box checked is a statutory employe. Statutory employes report their income and expenses related to that income on federal Schedule C or Schedule C-EZ. Statutory employes include:

- agent-drivers or commission-drivers who distribute meat products, vegetable products, bakery products, or beverages (other than milk), or pick up or deliver laundry or dry cleaning,
- full-time life insurance salespeople,
- certain homeworkers, and
- certain traveling or city salespeople.

Trade or business A trade or business is an activity regularly carried on for a livelihood or with the intention of making a profit. Trade or business income includes:

- net profit from operating a trade or business or practicing a profession as a sole proprietorship, reportable on federal Schedule C or Schedule C-EZ.
- other federal self-employment income, such as directors fees and wages received by a U.S. citizen employed by a foreign government in the United States.
- guaranteed payments from a partnership, received by:
 - (1) a partner, for services performed in the capacity as a partner, and
 - (2) a general partner, for the use of capital.

Guaranteed payments are amounts figured without regard to the income of the partnership and are reportable on federal Schedule E.

Note The surcharge does not apply to payments from a partnership received by a partner who is not acting in the capacity as a partner. The partnership is subject to the surcharge on these payments.

Line 29 instructions – continued

Temporary recycling surcharge for individuals other than farmers In the space provided on line 29, fill in the amount of your net business income (as defined earlier). Fill in -0- if you have a net loss. (You are still subject to a \$25 minimum surcharge even if you have a net loss.)

Exception If you have less than \$4,000 of gross receipts (as defined earlier) for federal income tax purposes, you aren't subject to a temporary recycling surcharge based on net business income. However, if you are also engaged in farming, see "Temporary recycling surcharge for farmers" below.

Note Individuals operating more than one business must combine the net income or loss from all trades or businesses, except farming, and enter the result.

Trade or business income is to be reported by the operator of the business, without regard to marital property law. If you and your spouse file a joint return and each operate separate businesses, you must compute your surcharge on the worksheet below.

Multiply the amount of your net business income by 0.2173% (0.002173) and fill in the result on line 29. **Exception** If the result is less than \$25 or if you have a net loss from trade or business activities, fill in \$25. If the result is more than \$9,800, fill in \$9,800.

Temporary recycling surcharge for farmers If you are engaged in farming in Wisconsin and have a net farm profit of \$1,000 or more for federal income tax purposes, fill in \$25 on line 29.

Temporary recycling surcharge for individuals engaged in both farming and other trade or business activities If you are engaged in both farming and some other trade or business in Wisconsin, you may owe the \$25 farm surcharge in addition to any surcharge based on your net business income. You must compute your surcharge by completing the worksheet below.

Worksheet

The following persons are required to use the worksheet below to compute their temporary recycling surcharge. If you are one of the persons listed below, check the box on line 29 of Form 1 and use the worksheet to compute your surcharge.

- You are engaged in both farming and some other trade or business.
- You are married filing a joint return and both spouses are subject to the temporary recycling surcharge. In this case, each spouse must complete a separate worksheet. Add the amounts from line 4 of both worksheets and fill in the total on line 29 of Form 1.

Temporary Recycling Surcharge Worksheet	
1. Fill in your net business income (if a net loss, fill in -0- and enter \$25 on line 2)* . . .	1. _____
2. Multiply the amount on line 1 by .002173 and fill in the result but not less than \$25 or more than \$9,800	2. _____
3. If you are engaged in farming in Wisconsin and have net farm profit of \$1,000 or more for federal income tax purposes, fill in \$25	3. _____
4. Add lines 2 and 3. Fill in here and on line 29 of Form 1. Be sure to check the worksheet box on line 29	4. _____
* Do not complete this line if your gross receipts from all trade or business activities are less than \$4,000.	

Line 29 instructions – continued

Additional information For more information, get Publication 400, *Wisconsin's Temporary Recycling Surcharge*, from any Department of Revenue office.

Line 30 Sales and Use Tax Due on Out-of-State Purchases

If, during 1998, you made any taxable purchases from out-of-state firms on which sales and use tax was not charged, you must report Wisconsin sales and use tax on these purchases on line 30. Taxable purchases include furniture, carpet, clothing, computers, books, CDs, cassettes, video tapes, jewelry, coins purchased for more than face value, etc. For example, if you purchased \$300 of clothing through a catalog from an out-of-state company, no sales and use tax was charged, and you reside in a county with a 5% tax rate, you are liable for \$15 Wisconsin tax (\$300 x 5% = \$15) on this purchase. Complete the following worksheet to determine whether you are liable for Wisconsin sales and use tax.

Worksheet for Computing Wisconsin Sales and Use Tax	
1. Total purchases subject to Wisconsin sales and use tax (i.e., purchases on which no sales and use tax was charged by the seller)	\$ _____
2. Sales and use tax rate (see rate chart below)	x _____ %
3. Amount of sales and use tax due for 1998 (line 1 multiplied by tax rate on line 2). Fill in this amount on line 30 of Form 1 if \$1 or more. If less than \$1, fill in -0-.	\$ _____

Sales and Use Tax Rate Chart		
In all Wisconsin counties except those shown in a, b, and c below, the tax rate was 5.5% for all of 1998.		
a. If you resided in 1998 in one of the following counties, the tax rate was 5.6%:		
Milwaukee	Ozaukee	
b. If you resided in 1998 in one of the following counties, the tax rate was 5.1%:		
Racine	Washington	Waukesha
c. If you resided in 1998 in one of the following counties, the tax rate was 5%:		
Brown	Green	Outagamie
Calumet	Green Lake	Rock
Clark	Kewaunee	Sheboygan
Eau Claire	La Fayette	Taylor
Florence	Manitowoc	Winnebago
Fond du Lac	Marinette	Wood
Grant	Menominee	

■ Line 31 Endangered Resources Donation

Your donation supports the preservation and management of more than 200 endangered and threatened Wisconsin plants and animals. It helps ensure a future for trumpeter swans, timber wolves, calypso orchids, and Karner blue butterflies, to name a few. It also helps protect Wisconsin's finest remaining examples of prairies, forests, and wetlands. All gifts (up to a total of \$500,000) will be matched by general purpose revenue, which makes your gift twice as important to endangered resources.

Consider a gift of \$15, \$25, \$50, or \$75, or choose your own amount, and support endangered resources in Wisconsin. Fill in line 31 with the amount you wish to donate. Your gift will either reduce your refund or be added to tax due. Or, send a check directly to: Endangered Resources Fund, Department of Natural Resources, P.O. Box 7921, Madison, WI 53707.

■ Line 32 Penalties on IRAs, Other Retirement Plans, MSAs, Etc.

The Wisconsin penalty on retirement plans and medical savings accounts (MSAs) is equal to 33% of the following federal taxes:

- Tax on qualified retirement plans, including IRAs (line 53 of federal Form 1040).
- Total tax due from lines 4, 8, 17, 19, 21, 30, and 34 of federal Form 5329 (include only if the tax due on this form was paid separately and is not included on line 53 of your federal Form 1040).
- Tax on excess contributions (line 2 of federal Form 5330).
- Tax on distributions from an MSA not used for qualified medical expenses.
- Tax on prohibited transactions (line 6 of federal Form 5330).
- Section 72(m)(5) excess benefits tax (included in the total on line 56 of federal Form 1040).

If you were subject to any of the above federal taxes for 1998, fill in the total of such taxes in the space provided on line 32. Multiply the amount filled in by .33 (33%) and fill in the result on line 32.

Note You are not subject to the penalty on payments from certain retirement plans if the payments are exempt from Wisconsin tax. See the instructions for line 11, part (d), for information on retirement payments which are exempt from Wisconsin tax.

If you were required to file federal Form 5329 or 5330, attach a copy of your Form 5329 and/or 5330 to your Form 1.

New Penalty for selling business assets (or assets used in farming) purchased from a related person within 24 months

Capital gain on the sale or disposition of business assets or on assets used in farming may be excluded from Wisconsin taxation if the assets were held more than one year and the assets are disposed of to certain related persons. The related person who purchases or otherwise receives the assets on which the gain is excluded is subject to a penalty if he/she sells or otherwise disposes of the assets within two years. If you are subject to this penalty, contact any department office for information on how to compute the penalty. Include the amount of the penalty on line 32 of Form 1. Write "RP" to the right of line 32.

■ Line 34 Wisconsin Income Tax Withheld

Add the **Wisconsin** income tax withheld shown on your withholding statements (Forms W-2, W-2G, 1099-G, 1099-R, and 1099-MISC). Fill in the total on line 34. Attach readable copies of your withholding statements to the back of Form 1.

Note Wisconsin tax withheld is shown in Box 18 of Form W-2 or Box 10 of Form 1099-R, but only if Wisconsin is the state identified in Box 16 of Form W-2 or Box 11 of Form 1099-R.

DO NOT claim credit for tax withheld for other states. DO NOT claim amounts marked social security or Medicare tax withheld. DO NOT claim credit for federal tax withheld. DO NOT include withholding statements from other tax years. DO NOT write on or change or attempt to correct the amounts on your withholding statements.

It is your responsibility to ensure that your employer or other payer has provided withholding statements that:

1. Are clear and easy to read.
2. Show withholding was paid to Wisconsin.

If you do not have a withholding statement or need a corrected withholding statement, contact your employer or other payer.

■ Line 35 1998 Wisconsin Estimated Tax Payments and Amount Applied From 1997 Return

Fill in the total of (1) any overpayment of 1997 income tax you were allowed as a credit on your 1998 Wisconsin estimated tax plus (2) any Wisconsin estimated tax payments you made for 1998. If you are married and file a joint return, add together (1) the total of both spouses' separate estimated tax payments, (2) any joint estimated tax payments you made, and (3) the total overpayments of 1997 income tax you and your spouse were allowed as credit to your 1998 estimated tax account(s).

If you are filing a separate tax return, you may not claim any part of your spouse's separate estimated tax payments or credits. However, you and your spouse may split your joint estimated tax payments and credits between you as you choose on your separate returns. If you cannot agree on how joint amounts are to be split between you, the department will split them between you according to your respective income tax liabilities.

Follow the above instructions even if your spouse died during 1998.

Name Change If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, attach a statement to the front of Form 1 explaining all the payments you and your spouse made for 1998 and the name(s) and social security number(s) under which you made the payments.

■ Line 36 Earned Income Credit

If you qualify for the federal earned income credit and you have at least one qualifying child, you also qualify for the Wisconsin earned income credit.

To claim the Wisconsin earned income credit, complete the following steps and fill in the required information in the spaces provided on line 36.

Line 36 instructions – continued

Step 1 Fill in the number of children who meet the requirements of a “qualifying child” for purposes of the federal earned income credit (see federal Schedule EIC for definition of a “qualifying child”).

CAUTION For federal purposes only your first two qualifying children are counted. For Wisconsin purposes all of your qualifying children are counted.

Note If your qualifying child is not claimed as a dependent on your return, write the child’s name(s) to the right of line 36.

Step 2 Fill in the earned income credit from line 37a of federal Form 1040A or line 59a of Form 1040. (**Exception** If you were required to reduce your federal earned income credit because you owe alternative minimum tax, fill in the amount of your earned income credit before the reduction for alternative minimum tax.)

Step 3 Fill in the percentage rate which applies to you.

Number of qualifying children (see Step 1 above)	Fill in this percentage rate
1	4%
2	14%
3 or more	43%

Step 4 Multiply the amount of your federal credit (Step 2) by the percentage determined in Step 3. Fill in the result on line 36. This is your Wisconsin earned income credit.

Note If the IRS is computing your federal earned income credit and you want the department to compute your Wisconsin earned income credit for you, fill in the number of your qualifying children in the space provided on line 36. Write EIC in the space to the right of line 36. Complete your return through line 40 of Form 1. Attach a copy of your federal return (Form 1040A or Form 1040) to your Form 1.

Line 37 Farmland Preservation Credit

If you are claiming farmland preservation credit, include a completed Schedule FC with your Form 1. Fill in on line 37 of Form 1 the amount from line 16 of your Schedule FC.

Note For a description of the farmland preservation credit program, see Special Instruction E on page 25.

Line 38 Net Income Tax Paid to Another State

If you were a Wisconsin resident in 1998 and paid income tax to another state or the District of Columbia, you may be able to claim a credit for such tax on your Wisconsin return. To qualify for a credit, the income that was taxed by the other state must also be included in income on Form 1 and be taxed by Wisconsin. You may not claim credit for other taxes paid such as city tax, county tax, severance tax, foreign tax, etc. If you paid “minimum tax” to another state, you may be able to claim a credit for this tax. For more information get Publication 125, *Credit for Tax Paid to Another State*, from any Department of Revenue office.

If you earned wages in Illinois, Indiana, Kentucky, Michigan, or Minnesota, see Reciprocal States in next column.

How to Compute Your Credit for Tax Paid to Other States Complete an income tax return from the other state to determine the net tax due, and fill in that amount on line 38 of your Wisconsin Form 1. The amount filled in on line 38 cannot be more than the amount shown on line 28. **Do not fill in on line 38 either the amount of tax withheld as shown on the W-2 form (wage statement) or other withholding statement from the other state or the amount of estimated tax you paid to the other state.**

Line 38 instructions – continued

Example A Wisconsin resident worked part of 1998 in another state. The amount of tax withheld for the other state (or the estimated tax payments to the other state) was \$140. The net tax liability computed on the other state’s form was \$100. The person will receive a \$40 refund from the other state. Therefore, the credit to fill in on line 38 of Form 1 is \$100.

Note If only part of the income taxed by the other state is taxed by Wisconsin (for example, capital gains on assets held more than 1 year are taxed 100% for Illinois but only 40% for Wisconsin), you must limit the credit claimed on line 38. Use the following formula to determine the amount of credit you may claim.

$$\frac{\text{Income taxable to both Wisconsin and other state}}{\text{Total income taxable to other state}} \times \frac{\text{Total net income tax paid to other state}}{\text{Total net income tax paid to other state}} = \text{Amount of net income tax allowable as a credit against Wisconsin tax}$$

Fill in the amount of your credit on line 38.

Attachments You must attach to your Form 1 a copy of your income tax return from the other state and your W-2 form (wage statement) or other withholding statement from the other state. If you are claiming credit for tax paid to other states by a limited liability company (LLC) treated as a partnership of which you are a member or tax-option (S) corporation of which you are a shareholder, attach a copy of the Wisconsin Schedule 3K-1 you received from the LLC or the 5K-1 you received from the tax-option (S) corporation. If the LLC or corporation did not file a Wisconsin return, submit federal Schedule K-1 plus a statement from the LLC or (S) corporation listing the states where tax was paid and the amount of each state’s tax allocable to you. Attach copies of any combined or composite individual income tax returns filed by the LLC or corporation on your behalf to your Wisconsin return.

Reciprocal States Credit cannot be claimed for taxes paid to **Illinois, Indiana, Kentucky, Michigan, or Minnesota** on wages earned in those states. Generally, under agreements with those states, they do not tax the wages of Wisconsin residents. If income taxes were withheld from your wages by any of those states, you must file a return with that state to obtain a refund. On that state’s return, be sure to explain that you were a Wisconsin resident when earning the wages in that state.

For more information get Publication 121, *Reciprocity*, from any Department of Revenue office.

Credit for Repayment of Income Previously Taxed If you had to repay during 1998, an amount that you had included in income in an earlier year because at that time you thought you had an unrestricted right to it, you may be able to claim a credit based on the amount repaid. To qualify for the credit, the amount repaid must be over \$3,000 and the amount repaid cannot have been subtracted in computing Wisconsin adjusted gross income or used in computing the Wisconsin itemized deduction credit.

Use the following steps to compute your credit:

- (1) Refigure your tax from the earlier year without including in income the amount you repaid in 1998.
- (2) Subtract the tax in (1) from the tax shown on your return for the earlier year. The difference is the amount of your credit.

Fill in the amount of your credit on line 38 of Form 1, and write “Repayment Credit” in the area to the left of line 38.

Line 40 instructions – continued

Line 39 Homestead Credit

If you are claiming homestead credit, attach your completed Schedule H to your Form 1. Fill in on line 39 of Form 1 the amount from line 19 of your Schedule H.

Note To see if you qualify for homestead credit, refer to Special Instruction D on page 25.

Line 40 Farmland Tax Relief Credit

If you qualify for the farmland tax relief credit, complete line 40 and attach a copy of your 1998 property tax bill(s) to Form 1.

Qualifications You may qualify for the farmland tax relief credit if you meet the following conditions:

- You or a member of your household must have been the owner of at least 35 acres of Wisconsin farmland during the 1998 taxable year. Household means an individual, his or her spouse, and all dependents while they are under age 18.
- Your 1997 property taxes for the farmland on which the credit is based must have been paid.
- The farmland must be in agricultural use. The farm of which the farmland is a part must have produced at least \$6,000 of gross farm profits during 1998 or at least a total of \$18,000 of gross farm profits for 1996, 1997, and 1998 combined. However, if at least 35 acres of your farmland was enrolled in the Conservation Reserve Program during all or part of 1998, you do not have to meet this gross farm profits requirement.

Gross farm profits means gross receipts, excluding rent, from the land’s agricultural use, less the cost or other basis of livestock or other items purchased for resale which are sold or otherwise disposed of during the taxable year. Gross farm profits include the fair market value, at the time of disposition, of payments-in-kind received for placing land in federal programs. If you rent out your farmland, the renter’s gross profits are used to satisfy this requirement. Gross farm profits do not include the fair market value of crops grown but not sold during the year, fuel tax credits or refund, or a previous year’s farmland preservation or farmland tax relief credit.

Who May Claim the Credit Only one member of a household may claim the credit. If two or more members of a household each qualify (for example, where a husband and wife have entered into a farm partnership agreement), they must determine between themselves who the claimant will be. If they are unable to agree, the matter may be referred to the Secretary of Revenue, whose decision will be final.

A claimant may be (1) an individual, (2) each member of a partnership (except publicly traded partnerships) having a joint or common interest in land, (3) a shareholder in a tax-option (S) corporation, (4) the vendee under a land contract, or (5) a guardian on behalf of a ward. When farmland is subject to a life estate, the person who has an ownership interest and is operating the farm and paying the property taxes is the owner who may claim the credit.

Property Taxes to Use Fill in the property taxes on your farmland (exclusive of improvements) in the space provided on line 40, but do not fill in more than \$10,000. The credit is based on property taxes levied on your farmland during the 1998 calendar year less any lottery credit. This is your 1998 property tax bill (payable in 1999). You can use up to \$10,000 of property taxes to compute the credit. This includes property taxes on all land which is in agricultural use,

less any state aid or credit. Do not include property taxes on any improvements (for example, farm buildings or a residence), special assessments, special charges, or interest.

Note Your property tax bill may include property taxes on both the farmland and improvements. Use the following formula to determine the portion of the property taxes attributable only to the land. *If you have more than one property tax bill, apply the formula to each bill separately.*

$$\frac{\text{Assessed value of farmland}}{\text{Total assessed value of land and improvements}} \times \text{1998 property taxes levied in 1998 after lottery credit} = \text{Portion of property taxes to be used for the credit}$$

If the farmland is co-owned with someone other than a member of your household, you may use only those taxes on the farmland which reflect your ownership percentage.

If you sold the farmland on which this claim is based during the taxable year, fill in only that portion of the property taxes on the farmland which is allocated to you in the closing agreement pertaining to the sale of the property (use the above formula if improvements are included). If the amount is not set forth in a closing agreement, you may not use any of these taxes in your computation. Do not fill in more than \$10,000.

If you purchased the farmland on which this claim is based during the taxable year, fill in the property taxes on the farmland less any amount allocated to the seller in the closing agreement (use the above formula if improvements are included). If the amount is not set forth in a closing agreement, fill in the total taxes on the farmland. Do not fill in more than \$10,000.

When property is transferred during the claim year by a method other than a sale, such as through gift, divorce, death, bankruptcy, foreclosure, or repossession, the owner of the property on the tax levy date is the owner who may claim the credit. The tax levy date is the date the property tax roll is delivered to the local treasurer for collection, usually in early December of each year.

If the farmland is owned by a tax-option (S) corporation or by a partnership, fill in the portion of property taxes on the farmland that reflects the ownership percentage of you and your household. You may have to contact the tax-option (S) corporation or the partnership to get information on the amount of taxes levied on the farmland during 1998.

Computing the Credit Fill in the amount of your credit on line 40 of Form 1. The credit is equal to 10% of the property taxes on your farmland up to a maximum credit of \$1,000. **(CAUTION** If you are claiming farmland preservation credit on line 37, the total of your farmland preservation credit and your farmland tax relief credit cannot exceed 95% of the property taxes on the farm. If your credits exceed this amount, you should reduce your farmland tax relief credit accordingly.)

Attachments Attach a copy of your 1998 property tax bill(s) to your Wisconsin Form 1. **(Note** If you are also claiming farmland preservation credit or homestead credit on Form 1 and have attached a copy of your 1998 property tax bill(s) to your Schedule FC or Schedule H, you do not have to attach an additional copy.) If the farmland on which the credit is based was purchased or sold during the year, only the buyer must attach a copy of the 1998 property tax bill(s); however, both the buyer and seller must attach a copy of the closing agreement relating to the sale.

Line 40 instructions – continued

If any of the 1998 property tax bills show unpaid prior year taxes, attach a statement signed by your county treasurer indicating the date the 1997 property taxes were paid in full.

■ Line 42 Amount Overpaid

If line 41 is larger than line 33, complete line 42 to determine the amount you overpaid.

■ Line 43 Refund

Fill in on line 43 the amount from line 42 that you want refunded to you. Amounts less than \$1 cannot be refunded.

■ Line 44 Amount Applied to 1999 Estimated Tax

Fill in on line 44 the amount, if any, of the overpayment on line 42 you want applied to your 1999 estimated tax.

If you are married filing a joint return, we will apply the amount on line 44 to your joint estimated tax. If you are married filing a separate return, we will apply the amount on line 44 to your separate estimated tax.

■ Line 45 Amount You Owe

If line 41 is less than line 33, complete line 45 to determine the amount you owe. If you owe less than \$1, send in your return, but do not pay the tax. If you owe \$1 or more with your return, you may pay by check or money order made payable to the Wisconsin Department of Revenue. Write your social security number on your check or money order, then paper clip it to the front of your Form 1.

Note **Wisconsin Estimated Tax (Form 1-ES)** If your 1999 Wisconsin income tax return will show a balance due of \$200 or more, you must prepay your 1999 tax in installments beginning April 15, 1999 (or increase your withholding) using Wisconsin Form 1-ES. For example, you may have a tax balance due with your return if you have income from which Wisconsin tax is not withheld. If you do not make required installment payments, you may be charged interest.

For more information, contact the department's Estimated Tax Unit at (608) 266-9941 or any Department of Revenue office.

If you filed Form 1-ES for 1998, you will automatically receive Form 1-ES at the end of January 1999. If you must file Form 1-ES for 1999 and do not receive the form in the mail, contact any Department of Revenue office.

Tax District Check the proper box and fill in the name of the Wisconsin city, village, or town and the county in which you lived on December 31, 1998.

School District Number Refer to page 32. Fill in the number of the school district in which you were living on December 31, 1998.

Sign and Date Your Return Sign and date your return at the bottom of the page. Form 1 is not considered a valid return unless you sign it. Your spouse must also sign it if it is a joint return. Also fill in your daytime phone number. Keep a copy of your return for your records.

Attachments Attach the following to Form 1:

- The appropriate copy of each of your withholding statements (Forms W-2, W-2G, 1099-G, 1099-R, and 1099-MISC).
- If you owe \$1 or more with your return, paper clip your payment to the front of Form 1.
- Copies of appropriate Wisconsin schedules and supporting documents, such as Schedule H (homestead credit) or Schedule FC (farmland preservation credit).
- A complete copy of your federal return (Form 1040, 1040A, 1040EZ, or 1040PC or your TeleFile Tax Record) and its supporting schedules and forms. If you itemize deductions on your federal return but do not claim the itemized deduction credit on your Wisconsin return, you do not have to attach federal Schedule A.
- A copy of your federal extension application form or required statement if you are filing under an extension of time to file.
- *Persons divorced after June 20, 1996, who compute a refund* If your judgment of divorce apportions any tax liability owed to the Department of Revenue to your former spouse, attach a copy of the judgment to your Form 1 and write "Divorce decree" in the space below line 33. This will prevent your refund from being applied against such tax liability.
- If you are filing federal Form 8379, Injured Spouse Claim and Allocation, attach a copy to your Form 1 and write "Form 8379" in the space below line 33.

Where to File If you qualify for a Quick Refund, see page 5. Otherwise, mail your return to the Wisconsin Department of Revenue at:

	<i>(if refund or no tax due)</i>	<i>(if homestead credit claimed)</i>
<i>(if tax is due)</i>		
P. O. Box 268	P. O. Box 59	P. O. Box 34
Madison, WI	Madison, WI	Madison, WI
53790-0001	53785-0001	53786-0001

Penalties for Not Filing Returns or Filing Incorrect Returns If you do not file an income tax return which you are required to file, or if you file an incorrect return due to negligence or fraud, penalties and interest may be assessed against you. The interest rate on delinquent taxes is 18% per year. Civil penalties can be as much as 100% of the amount of tax not reported on the return. Criminal penalties for failing to file or filing a false return include a fine up to \$10,000 and imprisonment.

Special Instructions

A. Internal Revenue Service Adjustments

If any of your federal income tax returns were adjusted by the Internal Revenue Service and the adjustments affect your Wisconsin income, any credit, or tax payable, you must notify the Department of Revenue of such adjustments within 90 days after they become final. A copy of the final federal audit report must be submitted to the Department of Revenue. The federal audit report and any associated amended Wisconsin return (Form 1X) should be mailed to the Wisconsin Department of Revenue, Audit Bureau, P. O. Box 8906, Madison, WI 53708-8906.

B. Amended Returns

If you filed an amended return with the Internal Revenue Service or another state and the changes on such return affect your Wisconsin income, any credit, or tax payable, you must file an amended Wisconsin return (Form 1X) within 90 days. Mail your amended return to the Wisconsin Department of Revenue:

<i>(if tax is due)</i>	<i>(if refund or no tax due)</i>
P. O. Box 268	P. O. Box 8991
Madison, WI 53790-0001	Madison, WI 53708-8991

C. Armed Forces Personnel

If you were a Wisconsin resident on the date you entered military service, you are considered a Wisconsin resident during your entire military career unless you take action to change your legal residency.

For more information, get Publication 104, *Wisconsin Taxation of Military Personnel*, from any Department of Revenue office.

D. Homestead Credit

The Wisconsin homestead credit program provides direct relief to home owners and renters. You may qualify if you were:

- At least 18 years old on December 31, 1998.
- A Wisconsin resident for all of 1998.
- Not claimed as a dependent on anyone's 1998 federal tax return (unless you were 62 or older on December 31, 1998).
- Not living in tax-exempt public housing for all of 1998. (Note Some exceptions apply to this rule and are explained in the instructions for the homestead credit form.)
- Not living in a nursing home and receiving medical assistance (Title XIX) when you file for homestead credit.
- Had a total household income (including wages, interest, social security, and certain other sources of income) below \$19,154 in 1998.

For more information about homestead credit, contact our Homestead Unit in Madison at (608) 266-8641 or any Department of Revenue office. A copy of Schedule H, which you must complete to apply for the credit, is available at any Department of Revenue office or by writing: Homestead, P. O. Box 8903, Madison, WI 53708. Schedule H is also available at many banks and libraries.

E. Farmland Preservation Credit

The farmland preservation credit program provides an income tax credit to Wisconsin residents who own at least 35 acres of farmland in Wisconsin. If you claim homestead credit, you are not eligible for farmland preservation credit. For more information about farmland preservation credit, contact our Farmland Preservation Unit in Madison at (608) 266-2442 or any Department of Revenue office. A copy of Schedule FC, which you must complete to apply for the credit, is available at any Department of Revenue office.

F. Development Zone Credits

Special tax credits may be available for persons doing business in Wisconsin development zones.

If you qualify for any of the development zone credits, complete Wisconsin Schedule DC. Copies of Schedule DC are available from any Department of Revenue office.

To claim development zone credits: Add the amount of your development zone credits from Schedule DC to the amount of your married couple credit which would otherwise be reported on line 25 of Form 1. Fill in the total on line 25 of Form 1. In the space to the left of line 25, write "Schedule DC."

Note If you are required to recapture development zone investment credit (see Schedule DC), add the increase in tax due to the recapture of the investment credit to the amount which would otherwise be reported on line 32 of Form 1. Write the amount of the recapture and "DC" next to line 32.

G. Historic Rehabilitation Credits

Any individual who has received certification or approval of a project from the State Historical Society of Wisconsin may be eligible for the credits. Credits attributable to a partnership or tax-option (S) corporation pass through to the partners or shareholders (see Schedule 3K-1 or 5K-1). Credits may also be allocated to beneficiaries of estates and trusts (see Schedule 2K-1).

If you qualify to claim either of the historic rehabilitation credits, complete Wisconsin Schedule HR. Add the total amount of your historic rehabilitation credits from Schedule HR to the amount which would otherwise be reported on line 20 of Form 1. In the space above line 20, write "HR." Attach Schedule HR and the required certification to Form 1.

Exception If you are only claiming historic rehabilitation credits which are passed through from an estate or trust, partnership, or tax-option (S) corporation, you do not have to complete Schedule HR. Add the total historic rehabilitation credits from your Schedule 2K-1, 3K-1, or 5K-1 to the amount which would otherwise be reported on line 20 of Form 1. In the space above line 20, write "HR/K-1." Attach a copy of Schedule K-1 to Form 1.

Note If you are required to repay all or a portion of a historic rehabilitation credit claimed in a previous year, add the amount you must repay to the amount which would otherwise be reported on line 32 of Form 1. Write the amount of the repayment and the words "Repayment – HRC" next to line 32.

H. Death of a Taxpayer

A return for a taxpayer who died in 1998 should be filed on the same form which would have been used if he or she had lived. Include only the income received by the taxpayer up to the date of his or her death.

If there is no estate to probate, a surviving heir may file Form 1 for the person who died. If there is an estate, the personal representative for the estate must file the return. The person filing the Form 1 should sign it and indicate his or her relationship to the person who died (e.g., "surviving heir" or "personal representative").

When a surviving heir files a Form 1 claiming a refund on behalf of a person who died and the refund is larger than \$100, attach a completed Form I-804, "Claim for Decedent's Wisconsin Income Tax Refund," to the front of Form 1. You may get Form I-804 from any Department of Revenue office. If the refund is \$100 or less and you are claiming the refund, attach a note to the front of Form 1. List your name, address, social security number, relationship to the person who died, and sign the note.

The person who files the return should write "deceased" after the deceased's name in the name and address area at the top of the return.

If the taxpayer did not have to file a return but paid estimated tax or had tax withheld, a return must be filed to get a refund.

If your spouse died during 1998 and you did not remarry in 1998, you can file a joint return. You can also file a joint return if your spouse died in 1999 before filing a 1998 return. A joint return should show your spouse's 1998 income before death and your income for all of 1998. Write "Filing as surviving spouse" in the area where you sign the return. If someone else is the personal representative, he or she must also sign.

If you are claiming a refund as a surviving spouse filing a joint return with the deceased and you follow the above instructions, you do not have to file the Form I-804.

For more information about the final income tax return to be filed for a deceased person or about estate tax returns which may also be required, contact any department office or call (608) 266-2772.

I. Requesting Copies of Your Returns

The Department of Revenue will provide copies of your returns for prior years for a fee of \$5.00 per return. Requests must be made in person or in writing. Call (608) 267-1266 for more information.

1998 TAX TABLE FOR FORM 1 FILERS

(Caution Not all taxpayers can use this table. See instructions below.)

IMPORTANT – The Wisconsin standard deduction has been built into this Tax Table. The table automatically allows most taxpayers the correct amount of standard deduction. However, certain taxpayers (see the three categories listed below) cannot use this table.

This Tax Table cannot be used by taxpayers who:

- Have more than \$250 of unearned income (for example, interest income) and can be claimed as a dependent on another person's income tax return
- Are filing a short period income tax return
- Are filing federal Form 4563 to claim an exclusion of income from sources within U.S. possessions

All other taxpayers must use this Tax Table.

If you cannot use this Tax Table, compute your tax by completing the "Special Tax Worksheet" which appears on page 14 of the instructions.

Example Mr. and Mrs. Smith are filing a joint return. Their Wisconsin income on line 13 of Form 1 is \$28,653. First they find the \$28,000 heading in the table. Then they find the \$28,600 – 28,700 income line. Next, they find the column for married filing jointly and read down the column. The amount shown where the income line and the filing status line meet is \$1,347. This is the tax amount they must write on line 14 of their return.



At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your tax is —					
28,500	28,600	1,572	1,339	1,813	1,572
28,600	28,700	1,579	1,347	1,820	1,579
28,700	28,800	1,587	1,355	1,826	1,587
28,800	28,900	1,595	1,363	1,833	1,595
28,900	29,000	1,602	1,371	1,840	1,602

If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your tax is —		Your tax is —				Your tax is —		Your tax is —				Your tax is —		Your tax is —			
		6,000				9,000											
	6,000	6,100	41	0	99	0	9,000	9,100	193	7	281	113					
	6,100	6,200	45	0	105	0	9,100	9,200	198	12	289	118					
	6,200	6,300	50	0	111	0	9,200	9,300	203	17	296	124					
	6,300	6,400	55	0	116	0	9,300	9,400	209	21	304	130					
	6,400	6,500	60	0	122	0	9,400	9,500	214	26	312	136					
	6,500	6,600	64	0	128	0	9,500	9,600	219	31	319	142					
	6,600	6,700	69	0	133	0	9,600	9,700	225	36	327	148					
	6,700	6,800	74	0	139	0	9,700	9,800	230	41	335	153					
	6,800	6,900	79	0	145	0	9,800	9,900	235	45	342	159					
	6,900	7,000	83	0	150	0	9,900	10,000	241	50	350	165					
	7,000						10,000										
	7,000	7,100	88	0	156	0	10,000	10,100	246	55	358	171					
	7,100	7,200	93	0	162	5	10,100	10,200	251	61	365	177					
	7,200	7,300	98	0	168	10	10,200	10,300	257	67	373	183					
	7,300	7,400	103	0	173	15	10,300	10,400	262	72	380	188					
	7,400	7,500	107	0	179	20	10,400	10,500	267	78	388	194					
	7,500	7,600	112	0	185	25	10,500	10,600	273	84	396	200					
	7,600	7,700	118	0	190	31	10,600	10,700	278	90	403	206					
	7,700	7,800	123	0	196	37	10,700	10,800	283	95	411	212					
	7,800	7,900	128	0	202	42	10,800	10,900	289	101	419	218					
	7,900	8,000	134	0	208	48	10,900	11,000	294	107	426	224					
	8,000						11,000										
	8,000	8,100	139	0	213	54	11,000	11,100	299	112	434	229					
	8,100	8,200	144	0	219	60	11,100	11,200	305	118	441	235					
	8,200	8,300	150	0	225	66	11,200	11,300	310	124	449	241					
	8,300	8,400	155	0	230	72	11,300	11,400	315	130	457	247					
	8,400	8,500	160	0	236	77	11,400	11,500	321	135	464	253					
	8,500	8,600	166	0	243	83	11,500	11,600	326	141	472	259					
	8,600	8,700	171	0	251	89	11,600	11,700	331	147	480	264					
	8,700	8,800	176	0	258	95	11,700	11,800	337	152	487	270					
	8,800	8,900	182	0	266	101	11,800	11,900	342	158	495	276					
	8,900	9,000	187	2	274	107	11,900	12,000	347	164	502	282					

If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your tax is —		Your tax is —				Your tax is —		Your tax is —				Your tax is —		Your tax is —			
12,000						18,000						24,000					
12,000	12,100	353	170	510	288	18,000	18,100	779	524	994	733	24,000	24,100	1,231	982	1,480	1,224
12,100	12,200	358	175	518	294	18,100	18,200	786	532	1,002	740	24,100	24,200	1,238	990	1,488	1,232
12,200	12,300	365	181	525	300	18,200	18,300	793	540	1,010	748	24,200	24,300	1,246	997	1,496	1,240
12,300	12,400	373	187	533	305	18,300	18,400	801	547	1,018	756	24,300	24,400	1,253	1,005	1,505	1,249
12,400	12,500	380	192	541	311	18,400	18,500	808	555	1,026	764	24,400	24,500	1,261	1,013	1,513	1,257
12,500	12,600	387	198	548	317	18,500	18,600	815	562	1,034	772	24,500	24,600	1,269	1,020	1,521	1,265
12,600	12,700	394	204	556	323	18,600	18,700	822	570	1,042	779	24,600	24,700	1,276	1,028	1,529	1,274
12,700	12,800	401	210	564	329	18,700	18,800	829	578	1,050	787	24,700	24,800	1,284	1,035	1,537	1,282
12,800	12,900	408	215	572	335	18,800	18,900	836	585	1,059	795	24,800	24,900	1,291	1,043	1,545	1,290
12,900	13,000	415	221	580	340	18,900	19,000	844	593	1,067	803	24,900	25,000	1,299	1,051	1,553	1,298
13,000						19,000						25,000					
13,000	13,100	422	227	588	346	19,000	19,100	851	601	1,075	811	25,000	25,100	1,306	1,058	1,561	1,306
13,100	13,200	430	232	596	352	19,100	19,200	859	608	1,083	818	25,100	25,200	1,314	1,066	1,569	1,314
13,200	13,300	437	238	604	358	19,200	19,300	867	616	1,091	826	25,200	25,300	1,322	1,074	1,578	1,322
13,300	13,400	444	244	613	366	19,300	19,400	874	623	1,099	834	25,300	25,400	1,329	1,081	1,586	1,329
13,400	13,500	451	250	621	374	19,400	19,500	882	631	1,107	842	25,400	25,500	1,337	1,089	1,594	1,337
13,500	13,600	458	255	629	381	19,500	19,600	889	639	1,115	851	25,500	25,600	1,344	1,097	1,602	1,344
13,600	13,700	465	261	637	389	19,600	19,700	897	646	1,123	859	25,600	25,700	1,352	1,104	1,610	1,352
13,700	13,800	472	267	645	397	19,700	19,800	905	654	1,132	867	25,700	25,800	1,359	1,112	1,618	1,359
13,800	13,900	480	272	653	405	19,800	19,900	912	662	1,140	875	25,800	25,900	1,367	1,120	1,626	1,367
13,900	14,000	487	278	661	413	19,900	20,000	920	669	1,148	884	25,900	26,000	1,375	1,128	1,634	1,375
14,000						20,000						26,000					
14,000	14,100	494	284	669	420	20,000	20,100	927	677	1,156	892	26,000	26,100	1,382	1,136	1,642	1,382
14,100	14,200	501	290	677	428	20,100	20,200	935	685	1,164	900	26,100	26,200	1,390	1,144	1,650	1,390
14,200	14,300	508	295	686	436	20,200	20,300	942	692	1,172	909	26,200	26,300	1,397	1,152	1,657	1,397
14,300	14,400	515	301	694	444	20,300	20,400	950	700	1,180	917	26,300	26,400	1,405	1,160	1,664	1,405
14,400	14,500	522	307	702	452	20,400	20,500	958	707	1,188	925	26,400	26,500	1,413	1,168	1,671	1,413
14,500	14,600	529	312	710	459	20,500	20,600	965	715	1,196	934	26,500	26,600	1,420	1,177	1,677	1,420
14,600	14,700	537	318	718	467	20,600	20,700	973	723	1,205	942	26,600	26,700	1,428	1,185	1,684	1,428
14,700	14,800	544	324	726	475	20,700	20,800	980	730	1,213	950	26,700	26,800	1,435	1,193	1,691	1,435
14,800	14,900	551	330	734	483	20,800	20,900	988	738	1,221	958	26,800	26,900	1,443	1,201	1,698	1,443
14,900	15,000	558	335	742	491	20,900	21,000	996	746	1,229	967	26,900	27,000	1,450	1,209	1,705	1,450
15,000						21,000						27,000					
15,000	15,100	565	341	750	499	21,000	21,100	1,003	753	1,237	975	27,000	27,100	1,458	1,217	1,711	1,458
15,100	15,200	572	347	759	506	21,100	21,200	1,011	761	1,245	983	27,100	27,200	1,466	1,225	1,718	1,466
15,200	15,300	579	352	767	514	21,200	21,300	1,018	768	1,253	992	27,200	27,300	1,473	1,233	1,725	1,473
15,300	15,400	587	358	775	522	21,300	21,400	1,026	776	1,261	1,000	27,300	27,400	1,481	1,241	1,732	1,481
15,400	15,500	594	364	783	530	21,400	21,500	1,033	784	1,269	1,008	27,400	27,500	1,488	1,249	1,738	1,488
15,500	15,600	601	370	791	538	21,500	21,600	1,041	791	1,278	1,016	27,500	27,600	1,496	1,258	1,745	1,496
15,600	15,700	608	375	799	545	21,600	21,700	1,049	799	1,286	1,025	27,600	27,700	1,504	1,266	1,752	1,504
15,700	15,800	615	381	807	553	21,700	21,800	1,056	807	1,294	1,033	27,700	27,800	1,511	1,274	1,759	1,511
15,800	15,900	622	387	815	561	21,800	21,900	1,064	814	1,302	1,041	27,800	27,900	1,519	1,282	1,765	1,519
15,900	16,000	629	392	823	569	21,900	22,000	1,071	822	1,310	1,050	27,900	28,000	1,526	1,290	1,772	1,526
16,000						22,000						28,000					
16,000	16,100	637	398	832	577	22,000	22,100	1,079	829	1,318	1,058	28,000	28,100	1,534	1,298	1,779	1,534
16,100	16,200	644	404	840	584	22,100	22,200	1,087	837	1,326	1,066	28,100	28,200	1,541	1,306	1,786	1,541
16,200	16,300	651	410	848	592	22,200	22,300	1,094	845	1,334	1,075	28,200	28,300	1,549	1,314	1,793	1,549
16,300	16,400	658	415	856	600	22,300	22,400	1,102	852	1,342	1,083	28,300	28,400	1,557	1,322	1,799	1,557
16,400	16,500	665	421	864	608	22,400	22,500	1,109	860	1,350	1,091	28,400	28,500	1,564	1,331	1,806	1,564
16,500	16,600	672	427	872	616	22,500	22,600	1,117	868	1,359	1,099	28,500	28,600	1,572	1,339	1,813	1,572
16,600	16,700	679	432	880	623	22,600	22,700	1,124	875	1,367	1,108	28,600	28,700	1,579	1,347	1,820	1,579
16,700	16,800	686	438	888	631	22,700	22,800	1,132	883	1,375	1,116	28,700	28,800	1,587	1,355	1,826	1,587
16,800	16,900	694	444	896	639	22,800	22,900	1,140	891	1,383	1,124	28,800	28,900	1,595	1,363	1,833	1,595
16,900	17,000	701	450	904	647	22,900	23,000	1,147	898	1,391	1,133	28,900	29,000	1,602	1,371	1,840	1,602
17,000						23,000						29,000					
17,000	17,100	708	455	913	655	23,000	23,100	1,155	906	1,399	1,141	29,000	29,100	1,610	1,379	1,847	1,610
17,100	17,200	715	461	921	662	23,100	23,200	1,162	913	1,407	1,149	29,100	29,200	1,617	1,387	1,853	1,617
17,200	17,300	722	467	929	670	23,200	23,300	1,170	921	1,415	1,157	29,200	29,300	1,625	1,395	1,860	1,625
17,300	17,400	729	472	937	678	23,300	23,400	1,178	929	1,423	1,166	29,300	29,400	1,632	1,404	1,867	1,632
17,400	17,500	736	478	945	686	23,400	23,500	1,185	936	1,432	1,174	29,400	29,500	1,640	1,412	1,874	1,640
17,500	17,600	744	486	953	694	23,500	23,600	1,193	944	1,440	1,182	29,500	29,600	1,648	1,420	1,881	1,648
17,600	17,700	751	494	961	701	23,600	23,700	1,200	952	1,448	1,191	29,600	29,700	1,655	1,428	1,887	1,655
17,700	17,800	758	501	969	709	23,700	23,800	1,208	959	1,456	1,199	29,700	29,800	1,663	1,436	1,894	1,663
17,800	17,900	765	509	977	717	23,800	23,900	1,215	967	1,464	1,207	29,800	29,900	1,670	1,444	1,901	1,670
17,900	18,000	772	517	986	725	23,900	24,000	1,223	974	1,472	1,216	29,900	30,000	1,678	1,452	1,908	1,678

If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your tax is —		Your tax is —				Your tax is —		Your tax is —				Your tax is —		Your tax is —			
30,000						36,000						42,000					
30,000	30,100	1,686	1,460	1,914	1,686	36,000	36,100	2,140	1,947	2,321	2,140	42,000	42,100	2,595	2,433	2,727	2,595
30,100	30,200	1,693	1,468	1,921	1,693	36,100	36,200	2,148	1,955	2,327	2,148	42,100	42,200	2,603	2,442	2,734	2,603
30,200	30,300	1,701	1,477	1,928	1,701	36,200	36,300	2,156	1,963	2,334	2,156	42,200	42,300	2,611	2,450	2,740	2,611
30,300	30,400	1,708	1,485	1,935	1,708	36,300	36,400	2,163	1,971	2,341	2,163	42,300	42,400	2,618	2,458	2,747	2,618
30,400	30,500	1,716	1,493	1,941	1,716	36,400	36,500	2,171	1,979	2,348	2,171	42,400	42,500	2,626	2,466	2,754	2,626
30,500	30,600	1,723	1,501	1,948	1,723	36,500	36,600	2,178	1,987	2,354	2,178	42,500	42,600	2,633	2,474	2,761	2,633
30,600	30,700	1,731	1,509	1,955	1,731	36,600	36,700	2,186	1,996	2,361	2,186	42,600	42,700	2,641	2,482	2,767	2,641
30,700	30,800	1,739	1,517	1,962	1,739	36,700	36,800	2,194	2,004	2,368	2,194	42,700	42,800	2,649	2,490	2,774	2,649
30,800	30,900	1,746	1,525	1,969	1,746	36,800	36,900	2,201	2,012	2,375	2,201	42,800	42,900	2,656	2,498	2,781	2,656
30,900	31,000	1,754	1,533	1,975	1,754	36,900	37,000	2,209	2,020	2,382	2,209	42,900	43,000	2,664	2,506	2,788	2,664
31,000						37,000						43,000					
31,000	31,100	1,761	1,541	1,982	1,761	37,000	37,100	2,216	2,028	2,388	2,216	43,000	43,100	2,671	2,514	2,794	2,671
31,100	31,200	1,769	1,550	1,989	1,769	37,100	37,200	2,224	2,036	2,395	2,224	43,100	43,200	2,679	2,523	2,801	2,679
31,200	31,300	1,777	1,558	1,996	1,777	37,200	37,300	2,231	2,044	2,402	2,231	43,200	43,300	2,686	2,531	2,808	2,686
31,300	31,400	1,784	1,566	2,002	1,784	37,300	37,400	2,239	2,052	2,409	2,239	43,300	43,400	2,694	2,539	2,815	2,694
31,400	31,500	1,792	1,574	2,009	1,792	37,400	37,500	2,247	2,060	2,415	2,247	43,400	43,500	2,702	2,547	2,822	2,702
31,500	31,600	1,799	1,582	2,016	1,799	37,500	37,600	2,254	2,068	2,422	2,254	43,500	43,600	2,709	2,555	2,828	2,709
31,600	31,700	1,807	1,590	2,023	1,807	37,600	37,700	2,262	2,077	2,429	2,262	43,600	43,700	2,717	2,563	2,835	2,717
31,700	31,800	1,814	1,598	2,029	1,814	37,700	37,800	2,269	2,085	2,436	2,269	43,700	43,800	2,724	2,571	2,842	2,724
31,800	31,900	1,822	1,606	2,036	1,822	37,800	37,900	2,277	2,093	2,442	2,277	43,800	43,900	2,732	2,579	2,849	2,732
31,900	32,000	1,830	1,614	2,043	1,830	37,900	38,000	2,285	2,101	2,449	2,285	43,900	44,000	2,739	2,587	2,855	2,739
32,000						38,000						44,000					
32,000	32,100	1,837	1,622	2,050	1,837	38,000	38,100	2,292	2,109	2,456	2,292	44,000	44,100	2,747	2,596	2,862	2,747
32,100	32,200	1,845	1,631	2,057	1,845	38,100	38,200	2,300	2,117	2,463	2,300	44,100	44,200	2,755	2,604	2,869	2,755
32,200	32,300	1,852	1,639	2,063	1,852	38,200	38,300	2,307	2,125	2,470	2,307	44,200	44,300	2,762	2,612	2,876	2,762
32,300	32,400	1,860	1,647	2,070	1,860	38,300	38,400	2,315	2,133	2,476	2,315	44,300	44,400	2,770	2,620	2,882	2,770
32,400	32,500	1,868	1,655	2,077	1,868	38,400	38,500	2,322	2,141	2,483	2,322	44,400	44,500	2,777	2,628	2,889	2,777
32,500	32,600	1,875	1,663	2,084	1,875	38,500	38,600	2,330	2,150	2,490	2,330	44,500	44,600	2,785	2,636	2,896	2,785
32,600	32,700	1,883	1,671	2,090	1,883	38,600	38,700	2,338	2,158	2,497	2,338	44,600	44,700	2,793	2,644	2,903	2,793
32,700	32,800	1,890	1,679	2,097	1,890	38,700	38,800	2,345	2,166	2,503	2,345	44,700	44,800	2,800	2,652	2,910	2,800
32,800	32,900	1,898	1,687	2,104	1,898	38,800	38,900	2,353	2,174	2,510	2,353	44,800	44,900	2,808	2,660	2,916	2,808
32,900	33,000	1,905	1,695	2,111	1,905	38,900	39,000	2,360	2,182	2,517	2,360	44,900	45,000	2,815	2,669	2,923	2,815
33,000						39,000						45,000					
33,000	33,100	1,913	1,704	2,117	1,913	39,000	39,100	2,368	2,190	2,524	2,368	45,000	45,100	2,823	2,677	2,930	2,823
33,100	33,200	1,921	1,712	2,124	1,921	39,100	39,200	2,376	2,198	2,530	2,376	45,100	45,200	2,830	2,685	2,937	2,830
33,200	33,300	1,928	1,720	2,131	1,928	39,200	39,300	2,383	2,206	2,537	2,383	45,200	45,300	2,838	2,693	2,943	2,838
33,300	33,400	1,936	1,728	2,138	1,936	39,300	39,400	2,391	2,214	2,544	2,391	45,300	45,400	2,846	2,701	2,950	2,846
33,400	33,500	1,943	1,736	2,145	1,943	39,400	39,500	2,398	2,223	2,551	2,398	45,400	45,500	2,853	2,709	2,957	2,853
33,500	33,600	1,951	1,744	2,151	1,951	39,500	39,600	2,406	2,231	2,558	2,406	45,500	45,600	2,861	2,717	2,964	2,861
33,600	33,700	1,959	1,752	2,158	1,959	39,600	39,700	2,413	2,239	2,564	2,413	45,600	45,700	2,868	2,725	2,971	2,868
33,700	33,800	1,966	1,760	2,165	1,966	39,700	39,800	2,421	2,247	2,571	2,421	45,700	45,800	2,876	2,733	2,977	2,876
33,800	33,900	1,974	1,768	2,172	1,974	39,800	39,900	2,429	2,255	2,578	2,429	45,800	45,900	2,884	2,742	2,984	2,884
33,900	34,000	1,981	1,777	2,178	1,981	39,900	40,000	2,436	2,263	2,585	2,436	45,900	46,000	2,891	2,750	2,991	2,891
34,000						40,000						46,000					
34,000	34,100	1,989	1,785	2,185	1,989	40,000	40,100	2,444	2,271	2,591	2,444	46,000	46,100	2,899	2,758	2,998	2,899
34,100	34,200	1,996	1,793	2,192	1,996	40,100	40,200	2,451	2,279	2,598	2,451	46,100	46,200	2,906	2,766	3,004	2,906
34,200	34,300	2,004	1,801	2,199	2,004	40,200	40,300	2,459	2,287	2,605	2,459	46,200	46,300	2,914	2,774	3,011	2,914
34,300	34,400	2,012	1,809	2,205	2,012	40,300	40,400	2,467	2,296	2,612	2,467	46,300	46,400	2,921	2,782	3,018	2,921
34,400	34,500	2,019	1,817	2,212	2,019	40,400	40,500	2,474	2,304	2,618	2,474	46,400	46,500	2,929	2,790	3,025	2,929
34,500	34,600	2,027	1,825	2,219	2,027	40,500	40,600	2,482	2,312	2,625	2,482	46,500	46,600	2,937	2,798	3,031	2,937
34,600	34,700	2,034	1,833	2,226	2,034	40,600	40,700	2,489	2,320	2,632	2,489	46,600	46,700	2,944	2,806	3,038	2,944
34,700	34,800	2,042	1,841	2,233	2,042	40,700	40,800	2,497	2,328	2,639	2,497	46,700	46,800	2,952	2,815	3,045	2,952
34,800	34,900	2,049	1,850	2,239	2,049	40,800	40,900	2,504	2,336	2,646	2,504	46,800	46,900	2,959	2,823	3,052	2,959
34,900	35,000	2,057	1,858	2,246	2,057	40,900	41,000	2,512	2,344	2,652	2,512	46,900	47,000	2,967	2,831	3,059	2,967
35,000						41,000						47,000					
35,000	35,100	2,065	1,866	2,253	2,065	41,000	41,100	2,520	2,352	2,659	2,520	47,000	47,100	2,975	2,839	3,065	2,975
35,100	35,200	2,072	1,874	2,260	2,072	41,100	41,200	2,527	2,360	2,666	2,527	47,100	47,200	2,982	2,847	3,072	2,982
35,200	35,300	2,080	1,882	2,266	2,080	41,200	41,300	2,535	2,369	2,673	2,535	47,200	47,300	2,990	2,855	3,079	2,990
35,300	35,400	2,087	1,890	2,273	2,087	41,300	41,400	2,542	2,377	2,679	2,542	47,300	47,400	2,997	2,863	3,086	2,997
35,400	35,500	2,095	1,898	2,280	2,095	41,400	41,500	2,550	2,385	2,686	2,550	47,400	47,500	3,005	2,871	3,092	3,005
35,500	35,600	2,103	1,906	2,287	2,103	41,500	41,600	2,558	2,393	2,693	2,558	47,500	47,600	3,012	2,879	3,099	3,012
35,600	35,700	2,110	1,914	2,294	2,110	41,600	41,700	2,565	2,401	2,700	2,565	47,600	47,700	3,020	2,887	3,106	3,020
35,700	35,800	2,118	1,923	2,300	2,118	41,700	41,800	2,573	2,409	2,706	2,573	47,700	47,800	3,028	2,896	3,113	3,028

If line 13 (Wisconsin income) is —						If line 13 (Wisconsin income) is —						If line 13 (Wisconsin income) is —					
And you are —		And you are —				And you are —		And you are —				And you are —		And you are —			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your tax is —						Your tax is —						Your tax is —					
48,000						54,000						60,000					
48,000	48,100	3,050	2,920	3,133	3,050	54,000	54,100	3,479	3,406	3,539	3,479	60,000	60,100	3,885	3,825	3,945	3,885
48,100	48,200	3,058	2,928	3,140	3,058	54,100	54,200	3,486	3,415	3,546	3,486	60,100	60,200	3,892	3,832	3,952	3,892
48,200	48,300	3,066	2,936	3,147	3,066	54,200	54,300	3,493	3,423	3,553	3,493	60,200	60,300	3,899	3,839	3,959	3,899
48,300	48,400	3,073	2,944	3,153	3,073	54,300	54,400	3,499	3,431	3,559	3,499	60,300	60,400	3,906	3,846	3,966	3,906
48,400	48,500	3,081	2,952	3,160	3,081	54,400	54,500	3,506	3,439	3,566	3,506	60,400	60,500	3,912	3,852	3,972	3,912
48,500	48,600	3,088	2,960	3,167	3,088	54,500	54,600	3,513	3,447	3,573	3,513	60,500	60,600	3,919	3,859	3,979	3,919
48,600	48,700	3,096	2,969	3,174	3,096	54,600	54,700	3,520	3,455	3,580	3,520	60,600	60,700	3,926	3,866	3,986	3,926
48,700	48,800	3,103	2,977	3,180	3,103	54,700	54,800	3,527	3,463	3,587	3,527	60,700	60,800	3,933	3,873	3,993	3,933
48,800	48,900	3,111	2,985	3,187	3,111	54,800	54,900	3,533	3,471	3,593	3,533	60,800	60,900	3,940	3,880	4,000	3,940
48,900	49,000	3,119	2,993	3,194	3,119	54,900	55,000	3,540	3,479	3,600	3,540	60,900	61,000	3,946	3,886	4,006	3,946
49,000						55,000						61,000					
49,000	49,100	3,126	3,001	3,201	3,126	55,000	55,100	3,547	3,487	3,607	3,547	61,000	61,100	3,953	3,893	4,013	3,953
49,100	49,200	3,134	3,009	3,207	3,134	55,100	55,200	3,554	3,494	3,614	3,554	61,100	61,200	3,960	3,900	4,020	3,960
49,200	49,300	3,141	3,017	3,214	3,141	55,200	55,300	3,560	3,500	3,620	3,560	61,200	61,300	3,967	3,907	4,027	3,967
49,300	49,400	3,149	3,025	3,221	3,149	55,300	55,400	3,567	3,507	3,627	3,567	61,300	61,400	3,973	3,913	4,033	3,973
49,400	49,500	3,157	3,033	3,228	3,157	55,400	55,500	3,574	3,514	3,634	3,574	61,400	61,500	3,980	3,920	4,040	3,980
49,500	49,600	3,164	3,042	3,235	3,164	55,500	55,600	3,581	3,521	3,641	3,581	61,500	61,600	3,987	3,927	4,047	3,987
49,600	49,700	3,172	3,050	3,241	3,172	55,600	55,700	3,588	3,528	3,648	3,588	61,600	61,700	3,994	3,934	4,054	3,994
49,700	49,800	3,179	3,058	3,248	3,179	55,700	55,800	3,594	3,534	3,654	3,594	61,700	61,800	4,000	3,940	4,060	4,000
49,800	49,900	3,187	3,066	3,255	3,187	55,800	55,900	3,601	3,541	3,661	3,601	61,800	61,900	4,007	3,947	4,067	4,007
49,900	50,000	3,194	3,074	3,262	3,194	55,900	56,000	3,608	3,548	3,668	3,608	61,900	62,000	4,014	3,954	4,074	4,014
50,000						56,000						62,000					
50,000	50,100	3,202	3,082	3,268	3,202	56,000	56,100	3,615	3,555	3,675	3,615	62,000	62,100	4,021	3,961	4,081	4,021
50,100	50,200	3,210	3,090	3,275	3,210	56,100	56,200	3,621	3,561	3,681	3,621	62,100	62,200	4,028	3,968	4,088	4,028
50,200	50,300	3,217	3,098	3,282	3,217	56,200	56,300	3,628	3,568	3,688	3,628	62,200	62,300	4,034	3,974	4,094	4,034
50,300	50,400	3,225	3,106	3,289	3,225	56,300	56,400	3,635	3,575	3,695	3,635	62,300	62,400	4,041	3,981	4,101	4,041
50,400	50,500	3,232	3,115	3,295	3,232	56,400	56,500	3,642	3,582	3,702	3,642	62,400	62,500	4,048	3,988	4,108	4,048
50,500	50,600	3,240	3,123	3,302	3,240	56,500	56,600	3,648	3,588	3,708	3,648	62,500	62,600	4,055	3,995	4,115	4,055
50,600	50,700	3,248	3,131	3,309	3,248	56,600	56,700	3,655	3,595	3,715	3,655	62,600	62,700	4,061	4,001	4,121	4,061
50,700	50,800	3,255	3,139	3,316	3,255	56,700	56,800	3,662	3,602	3,722	3,662	62,700	62,800	4,068	4,008	4,128	4,068
50,800	50,900	3,263	3,147	3,323	3,263	56,800	56,900	3,669	3,609	3,729	3,669	62,800	62,900	4,075	4,015	4,135	4,075
50,900	51,000	3,269	3,155	3,329	3,269	56,900	57,000	3,676	3,616	3,736	3,676	62,900	63,000	4,082	4,022	4,142	4,082
51,000						57,000						63,000					
51,000	51,100	3,276	3,163	3,336	3,276	57,000	57,100	3,682	3,622	3,742	3,682	63,000	63,100	4,088	4,028	4,148	4,088
51,100	51,200	3,283	3,171	3,343	3,283	57,100	57,200	3,689	3,629	3,749	3,689	63,100	63,200	4,095	4,035	4,155	4,095
51,200	51,300	3,290	3,179	3,350	3,290	57,200	57,300	3,696	3,636	3,756	3,696	63,200	63,300	4,102	4,042	4,162	4,102
51,300	51,400	3,296	3,188	3,356	3,296	57,300	57,400	3,703	3,643	3,763	3,703	63,300	63,400	4,109	4,049	4,169	4,109
51,400	51,500	3,303	3,196	3,363	3,303	57,400	57,500	3,709	3,649	3,769	3,709	63,400	63,500	4,116	4,056	4,176	4,116
51,500	51,600	3,310	3,204	3,370	3,310	57,500	57,600	3,716	3,656	3,776	3,716	63,500	63,600	4,122	4,062	4,182	4,122
51,600	51,700	3,317	3,212	3,377	3,317	57,600	57,700	3,723	3,663	3,783	3,723	63,600	63,700	4,129	4,069	4,189	4,129
51,700	51,800	3,323	3,220	3,383	3,323	57,700	57,800	3,730	3,670	3,790	3,730	63,700	63,800	4,136	4,076	4,196	4,136
51,800	51,900	3,330	3,228	3,390	3,330	57,800	57,900	3,736	3,676	3,796	3,736	63,800	63,900	4,143	4,083	4,203	4,143
51,900	52,000	3,337	3,236	3,397	3,337	57,900	58,000	3,743	3,683	3,803	3,743	63,900	64,000	4,149	4,089	4,209	4,149
52,000						58,000						64,000					
52,000	52,100	3,344	3,244	3,404	3,344	58,000	58,100	3,750	3,690	3,810	3,750	64,000	64,100	4,156	4,096	4,216	4,156
52,100	52,200	3,351	3,252	3,411	3,351	58,100	58,200	3,757	3,697	3,817	3,757	64,100	64,200	4,163	4,103	4,223	4,163
52,200	52,300	3,357	3,261	3,417	3,357	58,200	58,300	3,764	3,704	3,824	3,764	64,200	64,300	4,170	4,110	4,230	4,170
52,300	52,400	3,364	3,269	3,424	3,364	58,300	58,400	3,770	3,710	3,830	3,770	64,300	64,400	4,176	4,116	4,236	4,176
52,400	52,500	3,371	3,277	3,431	3,371	58,400	58,500	3,777	3,717	3,837	3,777	64,400	64,500	4,183	4,123	4,243	4,183
52,500	52,600	3,378	3,285	3,438	3,378	58,500	58,600	3,784	3,724	3,844	3,784	64,500	64,600	4,190	4,130	4,250	4,190
52,600	52,700	3,384	3,293	3,444	3,384	58,600	58,700	3,791	3,731	3,851	3,791	64,600	64,700	4,197	4,137	4,257	4,197
52,700	52,800	3,391	3,301	3,451	3,391	58,700	58,800	3,797	3,737	3,857	3,797	64,700	64,800	4,204	4,144	4,264	4,204
52,800	52,900	3,398	3,309	3,458	3,398	58,800	58,900	3,804	3,744	3,864	3,804	64,800	64,900	4,210	4,150	4,270	4,210
52,900	53,000	3,405	3,317	3,465	3,405	58,900	59,000	3,811	3,751	3,871	3,811	64,900	65,000	4,217	4,157	4,277	4,217
53,000						59,000						65,000					
53,000	53,100	3,411	3,325	3,471	3,411	59,000	59,100	3,818	3,758	3,878	3,818	65,000	65,100	4,224	4,164	4,284	4,224
53,100	53,200	3,418	3,333	3,478	3,418	59,100	59,200	3,824	3,764	3,884	3,824	65,100	65,200	4,231	4,171	4,291	4,231
53,200	53,300	3,425	3,342	3,485	3,425	59,200	59,300	3,831	3,771	3,891	3,831	65,200	65,300	4,237	4,177	4,297	4,237
53,300	53,400	3,432	3,350	3,492	3,432	59,300	59,400	3,838	3,778	3,898	3,838	65,300	65,400	4,244	4,184	4,304	4,244
53,400	53,500	3,439	3,358	3,499	3,439	59,400	59,500	3,845	3,785	3,905	3,845	65,400	65,500	4,251	4,191	4,311	4,251
53,500	53,600	3,445	3,366	3,505	3,445	59,500	59,600	3,852	3,792	3,912	3,852	65,500	65,600	4,258	4,198	4,318	4,258
53,600	53,700	3,452	3,374	3,512	3,452	59,600	59,700	3,858	3,798	3,918	3,858	65,600	65,700	4,265	4,205	4,325	4,265
53,700	53,800	3,459	3,382	3,519	3,459	59,700	59,800	3,865	3,805	3,925	3,865	65,700	65,800	4,271	4,211	4,331	4,271
53,800	53,900	3,466	3,390	3,526	3,466	59,800	59,900	3,872	3,812	3,932	3,872						

If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —				If line 13 (Wisconsin income) is —		And you are —			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your tax is —		Your tax is —				Your tax is —		Your tax is —				Your tax is —		Your tax is —			
66,000						72,000						78,000					
66,000	66,100	4,292	4,232	4,352	4,292	72,000	72,100	4,698	4,638	4,758	4,698	78,000	78,100	5,104	5,044	5,164	5,104
66,100	66,200	4,298	4,238	4,358	4,298	72,100	72,200	4,705	4,645	4,765	4,705	78,100	78,200	5,111	5,051	5,171	5,111
66,200	66,300	4,305	4,245	4,365	4,305	72,200	72,300	4,711	4,651	4,771	4,711	78,200	78,300	5,118	5,058	5,178	5,118
66,300	66,400	4,312	4,252	4,372	4,312	72,300	72,400	4,718	4,658	4,778	4,718	78,300	78,400	5,124	5,064	5,184	5,124
66,400	66,500	4,319	4,259	4,379	4,319	72,400	72,500	4,725	4,665	4,785	4,725	78,400	78,500	5,131	5,071	5,191	5,131
66,500	66,600	4,325	4,265	4,385	4,325	72,500	72,600	4,732	4,672	4,792	4,732	78,500	78,600	5,138	5,078	5,198	5,138
66,600	66,700	4,332	4,272	4,392	4,332	72,600	72,700	4,738	4,678	4,798	4,738	78,600	78,700	5,145	5,085	5,205	5,145
66,700	66,800	4,339	4,279	4,399	4,339	72,700	72,800	4,745	4,685	4,805	4,745	78,700	78,800	5,151	5,091	5,211	5,151
66,800	66,900	4,346	4,286	4,406	4,346	72,800	72,900	4,752	4,692	4,812	4,752	78,800	78,900	5,158	5,098	5,218	5,158
66,900	67,000	4,353	4,293	4,413	4,353	72,900	73,000	4,759	4,699	4,819	4,759	78,900	79,000	5,165	5,105	5,225	5,165
67,000						73,000						79,000					
67,000	67,100	4,359	4,299	4,419	4,359	73,000	73,100	4,765	4,705	4,825	4,765	79,000	79,100	5,172	5,112	5,232	5,172
67,100	67,200	4,366	4,306	4,426	4,366	73,100	73,200	4,772	4,712	4,832	4,772	79,100	79,200	5,178	5,118	5,238	5,178
67,200	67,300	4,373	4,313	4,433	4,373	73,200	73,300	4,779	4,719	4,839	4,779	79,200	79,300	5,185	5,125	5,245	5,185
67,300	67,400	4,380	4,320	4,440	4,380	73,300	73,400	4,786	4,726	4,846	4,786	79,300	79,400	5,192	5,132	5,252	5,192
67,400	67,500	4,386	4,326	4,446	4,386	73,400	73,500	4,793	4,733	4,853	4,793	79,400	79,500	5,199	5,139	5,259	5,199
67,500	67,600	4,393	4,333	4,453	4,393	73,500	73,600	4,799	4,739	4,859	4,799	79,500	79,600	5,206	5,146	5,266	5,206
67,600	67,700	4,400	4,340	4,460	4,400	73,600	73,700	4,806	4,746	4,866	4,806	79,600	79,700	5,212	5,152	5,272	5,212
67,700	67,800	4,407	4,347	4,467	4,407	73,700	73,800	4,813	4,753	4,873	4,813	79,700	79,800	5,219	5,159	5,279	5,219
67,800	67,900	4,413	4,353	4,473	4,413	73,800	73,900	4,820	4,760	4,880	4,820	79,800	79,900	5,226	5,166	5,286	5,226
67,900	68,000	4,420	4,360	4,480	4,420	73,900	74,000	4,826	4,766	4,886	4,826	79,900	80,000	5,233	5,173	5,293	5,233
68,000						74,000						80,000					
68,000	68,100	4,427	4,367	4,487	4,427	74,000	74,100	4,833	4,773	4,893	4,833	80,000 or more	plus 6.77% of taxable income over \$80,000	5,236	5,176	5,296	5,236
68,100	68,200	4,434	4,374	4,494	4,434	74,100	74,200	4,840	4,780	4,900	4,840						
68,200	68,300	4,441	4,381	4,501	4,441	74,200	74,300	4,847	4,787	4,907	4,847						
68,300	68,400	4,447	4,387	4,507	4,447	74,300	74,400	4,853	4,793	4,913	4,853						
68,400	68,500	4,454	4,394	4,514	4,454	74,400	74,500	4,860	4,800	4,920	4,860						
68,500	68,600	4,461	4,401	4,521	4,461	74,500	74,600	4,867	4,807	4,927	4,867						
68,600	68,700	4,468	4,408	4,528	4,468	74,600	74,700	4,874	4,814	4,934	4,874						
68,700	68,800	4,474	4,414	4,534	4,474	74,700	74,800	4,881	4,821	4,941	4,881						
68,800	68,900	4,481	4,421	4,541	4,481	74,800	74,900	4,887	4,827	4,947	4,887						
68,900	69,000	4,488	4,428	4,548	4,488	74,900	75,000	4,894	4,834	4,954	4,894						
69,000						75,000											
69,000	69,100	4,495	4,435	4,555	4,495	75,000	75,100	4,901	4,841	4,961	4,901						
69,100	69,200	4,501	4,441	4,561	4,501	75,100	75,200	4,908	4,848	4,968	4,908						
69,200	69,300	4,508	4,448	4,568	4,508	75,200	75,300	4,914	4,854	4,974	4,914						
69,300	69,400	4,515	4,455	4,575	4,515	75,300	75,400	4,921	4,861	4,981	4,921						
69,400	69,500	4,522	4,462	4,582	4,522	75,400	75,500	4,928	4,868	4,988	4,928						
69,500	69,600	4,529	4,469	4,589	4,529	75,500	75,600	4,935	4,875	4,995	4,935						
69,600	69,700	4,535	4,475	4,595	4,535	75,600	75,700	4,942	4,882	5,002	4,942						
69,700	69,800	4,542	4,482	4,602	4,542	75,700	75,800	4,948	4,888	5,008	4,948						
69,800	69,900	4,549	4,489	4,609	4,549	75,800	75,900	4,955	4,895	5,015	4,955						
69,900	70,000	4,556	4,496	4,616	4,556	75,900	76,000	4,962	4,902	5,022	4,962						
70,000						76,000											
70,000	70,100	4,562	4,502	4,622	4,562	76,000	76,100	4,969	4,909	5,029	4,969						
70,100	70,200	4,569	4,509	4,629	4,569	76,100	76,200	4,975	4,915	5,035	4,975						
70,200	70,300	4,576	4,516	4,636	4,576	76,200	76,300	4,982	4,922	5,042	4,982						
70,300	70,400	4,583	4,523	4,643	4,583	76,300	76,400	4,989	4,929	5,049	4,989						
70,400	70,500	4,589	4,529	4,649	4,589	76,400	76,500	4,996	4,936	5,056	4,996						
70,500	70,600	4,596	4,536	4,656	4,596	76,500	76,600	5,002	4,942	5,062	5,002						
70,600	70,700	4,603	4,543	4,663	4,603	76,600	76,700	5,009	4,949	5,069	5,009						
70,700	70,800	4,610	4,550	4,670	4,610	76,700	76,800	5,016	4,956	5,076	5,016						
70,800	70,900	4,617	4,557	4,677	4,617	76,800	76,900	5,023	4,963	5,083	5,023						
70,900	71,000	4,623	4,563	4,683	4,623	76,900	77,000	5,030	4,970	5,090	5,030						
71,000						77,000											
71,000	71,100	4,630	4,570	4,690	4,630	77,000	77,100	5,036	4,976	5,096	5,036						
71,100	71,200	4,637	4,577	4,697	4,637	77,100	77,200	5,043	4,983	5,103	5,043						
71,200	71,300	4,644	4,584	4,704	4,644	77,200	77,300	5,050	4,990	5,110	5,050						
71,300	71,400	4,650	4,590	4,710	4,650	77,300	77,400	5,057	4,997	5,117	5,057						
71,400	71,500	4,657	4,597	4,717	4,657	77,400	77,500	5,063	5,003	5,123	5,063						
71,500	71,600	4,664	4,604	4,724	4,664	77,500	77,600	5,070	5,010	5,130	5,070						
71,600	71,700	4,671	4,611	4,731	4,671	77,600	77,700	5,077	5,017	5,137	5,077						
71,700	71,800	4,677	4,617	4,737	4,677	77,700	77,800	5,084	5,024	5,144	5,084						
71,800	71,900	4,684	4,624	4,744	4,684	77,800	77,900	5,090	5,030	5,150	5,090						
71,900	72,000	4,691	4,631	4,751	4,691	77,900	78,000	5,097	5,037	5,157	5,097						

1998 Standard Deduction Table

IMPORTANT – This standard deduction table should only be used by the two groups of taxpayers identified below. Other taxpayers should not use this table. Use this standard deduction table **only** if you:

- Are completing Schedule 1 on page 3 of Form 1 to compute an itemized deduction credit, or
- Have more than \$250 of unearned income (for example, interest income) and can be claimed as a dependent on another person's income tax return.

If your income (line 13 of Form 1) is–		And you are–				If your income (line 13 of Form 1) is–		And you are–				If your income (line 13 of Form 1) is–		And you are–			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
		Your standard deduction is–						Your standard deduction is–						Your standard deduction is–			
0	4,750	5,200	8,900	4,230	7,040	22,000	22,500	3,430	6,477	769	3,719	40,000	40,500	1,270	2,917	0	1,270
4,750	5,000	5,200	8,900	4,205	7,040	22,500	23,000	3,370	6,378	670	3,606	40,500	41,000	1,210	2,818	0	1,210
5,000	5,500	5,200	8,900	4,131	7,040	23,000	23,500	3,310	6,279	571	3,494	41,000	41,500	1,150	2,719	0	1,150
5,500	6,000	5,200	8,900	4,032	7,040	23,500	24,000	3,250	6,181	472	3,381	41,500	42,000	1,090	2,620	0	1,090
6,000	6,500	5,200	8,900	3,933	7,040	24,000	24,500	3,190	6,082	373	3,269	42,000	42,500	1,030	2,522	0	1,030
6,500	7,000	5,200	8,900	3,834	7,040	24,500	25,000	3,130	5,983	274	3,156	42,500	43,000	970	2,423	0	970
7,000	7,500	5,200	8,900	3,736	7,040	25,000	25,500	3,070	5,884	176	3,070	43,000	43,500	910	2,324	0	910
7,500	8,000	5,170	8,900	3,637	6,984	25,500	26,000	3,010	5,785	77	3,010	43,500	44,000	850	2,225	0	850
8,000	8,500	5,110	8,900	3,538	6,871	26,000	26,500	2,950	5,686	0	2,950	44,000	44,500	790	2,126	0	790
8,500	9,000	5,050	8,900	3,439	6,759	26,500	27,000	2,890	5,587	0	2,890	44,500	45,000	730	2,027	0	730
9,000	9,500	4,990	8,900	3,340	6,646	27,000	27,500	2,830	5,488	0	2,830	45,000	45,500	670	1,928	0	670
9,500	10,000	4,930	8,900	3,241	6,533	27,500	28,000	2,770	5,389	0	2,770	45,500	46,000	610	1,829	0	610
10,000	10,500	4,870	8,851	3,142	6,421	28,000	28,500	2,710	5,291	0	2,710	46,000	46,500	550	1,730	0	550
10,500	11,000	4,810	8,752	3,043	6,308	28,500	29,000	2,650	5,192	0	2,650	46,500	47,000	490	1,632	0	490
11,000	11,500	4,750	8,653	2,944	6,196	29,000	29,500	2,590	5,093	0	2,590	47,000	47,500	430	1,533	0	430
11,500	12,000	4,690	8,554	2,846	6,083	29,500	30,000	2,530	4,994	0	2,530	47,500	48,000	370	1,434	0	370
12,000	12,500	4,630	8,455	2,747	5,971	30,000	30,500	2,470	4,895	0	2,470	48,000	48,500	310	1,335	0	310
12,500	13,000	4,570	8,356	2,648	5,858	30,500	31,000	2,410	4,796	0	2,410	48,500	49,000	250	1,236	0	250
13,000	13,500	4,510	8,257	2,549	5,745	31,000	31,500	2,350	4,697	0	2,350	49,000	49,500	190	1,137	0	190
13,500	14,000	4,450	8,158	2,450	5,633	31,500	32,000	2,290	4,598	0	2,290	49,500	50,000	130	1,038	0	130
14,000	14,500	4,390	8,059	2,351	5,520	32,000	32,500	2,230	4,499	0	2,230	50,000	50,500	70	939	0	70
14,500	15,000	4,330	7,961	2,252	5,408	32,500	33,000	2,170	4,401	0	2,170	50,500	51,000	10	840	0	10
15,000	15,500	4,270	7,862	2,153	5,295	33,000	33,500	2,110	4,302	0	2,110	51,000	51,500	0	742	0	0
15,500	16,000	4,210	7,763	2,054	5,183	33,500	34,000	2,050	4,203	0	2,050	51,500	52,000	0	643	0	0
16,000	16,500	4,150	7,664	1,956	5,070	34,000	34,500	1,990	4,104	0	1,990	52,000	52,500	0	544	0	0
16,500	17,000	4,090	7,565	1,857	4,957	34,500	35,000	1,930	4,005	0	1,930	52,500	53,000	0	445	0	0
17,000	17,500	4,030	7,466	1,758	4,845	35,000	35,500	1,870	3,906	0	1,870	53,000	53,500	0	346	0	0
17,500	18,000	3,970	7,367	1,659	4,732	35,500	36,000	1,810	3,807	0	1,810	53,500	54,000	0	247	0	0
18,000	18,500	3,910	7,268	1,560	4,620	36,000	36,500	1,750	3,708	0	1,750	54,000	54,500	0	148	0	0
18,500	19,000	3,850	7,169	1,461	4,507	36,500	37,000	1,690	3,609	0	1,690	54,500	55,000	0	49	0	0
19,000	19,500	3,790	7,071	1,362	4,394	37,000	37,500	1,630	3,510	0	1,630	55,000 or more	55,000 or more	0	0	0	0
19,500	20,000	3,730	6,972	1,263	4,282	37,500	38,000	1,570	3,412	0	1,570	55,000 or more	55,000 or more	0	0	0	0
20,000	20,500	3,670	6,873	1,164	4,169	38,000	38,500	1,510	3,313	0	1,510	55,000 or more	55,000 or more	0	0	0	0
20,500	21,000	3,610	6,774	1,066	4,057	38,500	39,000	1,450	3,214	0	1,450	55,000 or more	55,000 or more	0	0	0	0
21,000	21,500	3,550	6,675	967	3,944	39,000	39,500	1,390	3,115	0	1,390	55,000 or more	55,000 or more	0	0	0	

WISCONSIN SCHOOL DISTRICT NUMBER

Appearing below is an alphabetical listing of Wisconsin school districts. Refer to this listing and find the number of the district in which you lived on December 31, 1998. Fill in this number in the area above the signature line of your return. Failure to include your school district number may delay the processing of your return and any refund due.

The listing is divided into two sections. SECTION I lists all districts which operate high schools. SECTION II lists those districts which operate schools having only elementary grades.

Your school district will generally be the name of the municipality where the public high school is located which any children at your home would be entitled to attend. However, if such high school is a "union high school," refer to SECTION II and find the number of your elementary district.

The listing has the names of the school districts only to help you find your district number. Don't write in the name of your school district or the name

of any specific school. Fill in only your school district's number on the school district line in the tax district area of your return. For example:

- 1. If you lived in the city of Milwaukee, you will fill in the number 3619 on the school district line.
2. If you lived in the city of Hartford, you would refer to Section II and find the number 2443, which is the number for Jt. No. 1 Hartford elementary district.

The following are other factors to be considered in determining your school district number:

- 1. If you lived in one school district but worked in another, fill in the district number where you lived.
2. If you were temporarily living away from your permanent home, fill in the district number of your permanent home.

Note If you can't identify your school district, contact your municipal clerk or local school for help.

SECTION I--SCHOOL DISTRICTS OPERATING HIGH SCHOOLS

Table with 12 columns: School District, No., School District, No. Lists various Wisconsin school districts and their corresponding numbers.

*This is a "Union High School" district. Refer to Section II of this listing and determine the number of your elementary school district.

SECTION II--SCHOOL DISTRICTS OPERATING ONLY ELEMENTARY SCHOOLS

Table with 12 columns: School District, No., School District, No. Lists various Wisconsin school districts operating only elementary schools and their corresponding numbers.